

Book of Reports and Memorials

May 2017

WISCONSIN EVANGELICAL LUTHERAN SYNOD
Waukesha, Wisconsin

Wisconsin Evangelical Lutheran Synod
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Foreword

Convention theme

The theme of the 2017 WELS convention is “Our Great Heritage,” emphasizing the special blessings that God has granted to us as heirs of the Lutheran Reformation. Convention worship, essays, and decisions will focus and explore all of the facets of how our gracious God, by the work of the Holy Spirit through the Means of Grace, has made us his own by grace and enlisted us in his mission to take the gospel to all the world.

Major items for consideration at the 2017 convention include the proposed ministry plan (budget) for 2017–19, the adoption of a new long-range plan through the year 2025, the recognition of full fellowship with three Lutheran church bodies, and a consideration of recommendations brought by several special committees. Reports and recommendations from all synodical boards and commissions will be shared and discussed.

The Book of Reports and Memorials

This *Book of Reports and Memorials* (BORAM) is intended to summarize, both for convention delegates and for the synod’s entire constituency, the business that will come before the convention. It contains reports from all synodical entities, describing the synod’s activities during the past year and providing information about current efforts and future plans. It also contains memorials, which are formal requests to the convention to address specific issues. All delegates are encouraged to read through this book in advance of the convention.

Floor committees

The convention’s business will be addressed by floor committees. Each committee is assigned specific matters to address or a task to perform during the convention. All delegates are assigned to a floor committee. The floor committees, along with their chairmen, are listed on p. 1.

Floor committees will function during the convention as determined by their assignment. Meeting rooms are assigned to committees as needed. Floor committee chairmen are responsible for scheduling the times of the floor committee meetings and for seeing to it that their committees are provided with the informational resources they need to complete their work. Advisory delegates are available to the committees as resources.

Delegates

Each voting delegate is expected to attend convention sessions unless his floor committee is scheduled to meet during sessions. Advisory delegates may attend floor committee meetings upon invitation of the floor committee or by mutual agreement. A floor committee chairman may at any time request that the committee conduct its work without the presence of advisors.

Memorials

A memorial is a formal request for the synod to take specific action. Memorials will be assigned to the floor committee already dealing with the subject matter or area addressed by the memorial.

Sometimes memorials are submitted after the deadline for inclusion in BORAM. These are referred to as “unprinted memorials” because they are not printed in BORAM. Instead, they are printed and distributed to delegates during the summer and are assigned to appropriate floor committees for the same kind of consideration received by memorials printed in BORAM.

Schedule

The convention begins with a delegate orientation session on Monday afternoon. The opening worship service for the convention takes place on Monday evening. The convention itself begins on Tuesday morning. Some evening events are scheduled. Full sessions of the convention may be scheduled during the evening if necessary. The convention will conclude with a closing worship service on Thursday afternoon.

May God bless our gathering here, to his glory and for the good of his kingdom!

Rev. Mark Schroeder, WELS president

Organizational chart

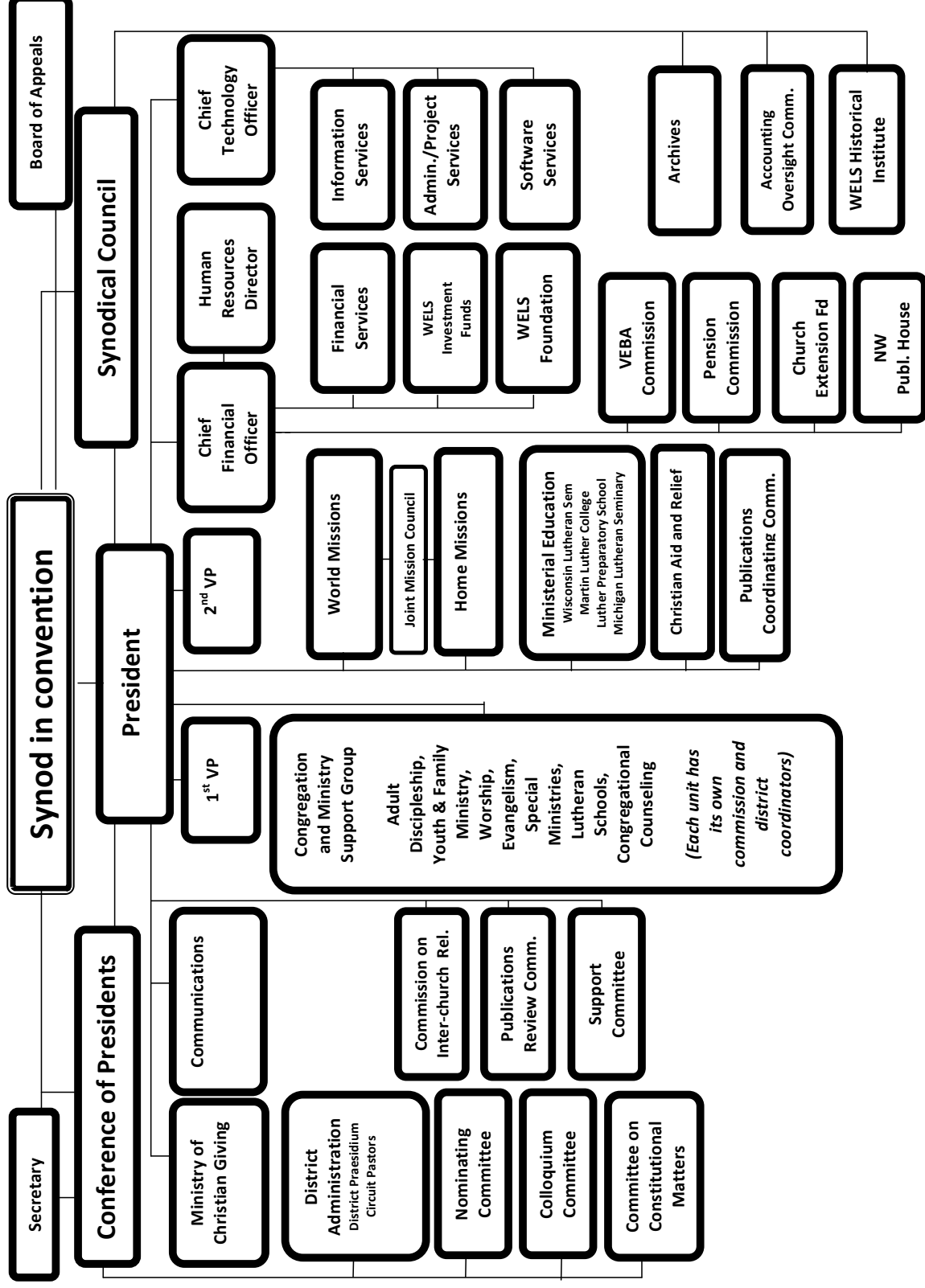


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For more information, visit wels.net/synodconvention2017.

Convention floor committees

Committee	Assignment	Chairman
#1	President's Report	Pastor Jonathan Scharf
#2	Conference of Presidents	Pastor Robert Krueger
#3	Special committees	Pastor Joel Heckendorf
#4	Commission on Inter-Church Relations	Pastor Jonathan Schroeder
#5	Ministry of Christian Giving and Communication Services	Pastor Michael Quandt
#6	Synodical Council	Pastor Paul Meier
#7	Financial results and plan (budget)	Pastor David Voss
#8	Compensation Review Committee	Pastor Michael Woldt
#9	Home Missions	Pastor Joel Sauer
#10	World Missions, Joint Mission Council	Pastor Joel Pankow
#11	Ministerial Education	Pastor Phil Henselin
#12	Congregation and Ministry Support Group A (Congregational Counseling, Worship, Evangelism)	Prof. Paul Tess
#13	Congregation and Ministry Support Group B (Special Ministries, Adult Discipleship, Youth and Family Ministry)	Teacher Gregory Thiesfeldt
#14	Congregation and Ministry Support Group C (Lutheran Schools)	Teacher Jamie Luehring
#15	Support Services	Pastor Don Pieper
#16	WELS Historical Institute and WELS Archives	Teacher Ben Troge
#17	Subsidiaries and Benefit Plans	Mr. Randy Sachtjen
#18	Northwestern Publishing House and Publication Coordinating Commission	Pastor James Borgwardt
#19	Christian Aid and Relief	Dr. Michael Brooks
#20	Constitutional Matters	Pastor Mark Voss
#21	Elections	Prof. Jeff Wiechmann
#22	Resolutions	Dr. Martin Moldenhauer
#23	Steering	Pastor Donald Tollefson

Congregation and District Ministry

The Congregation and District Ministry portion of the synod's ministry financial plan (budget) includes the Conference of Presidents (COP) and all entities overseen by the COP. These include:

Conference of Presidents

- Regular and special meetings of the Conference of Presidents and the Assignment Committee
- Travel and other expenses related to the district presidents' work
- Pastoral assistants provided to the congregations served by the district presidents
- Partial cost of the vicar program

Support Committee

Grants and assistance provided to needy retired called workers and their spouses

Commission on Inter-Church Relations

- Regular meetings of the commission
- Travel expenses related to inter-church relations
- Annual support for the Confessional Evangelical Lutheran Conference (CELC)
- Financial support for sister church bodies as appropriate

Ministry of Christian Giving

- Administration and staff salaries and office expenses
- Salaries and travel expenses for current and deferred Christian giving counselors
- Expenses of counselor training and consultation
- Cost of promotions and appeals

Communication Services

- *WELS Connection*, *WELS Connection Close-up*, "Together" electronic newsletter, partial funding for *Forward in Christ* editorial staff, *WELS Annual Report*
- *Book of Reports and Memorials*, *Report to the Twelve Districts*, *Proceedings*
- Content production and management of WELS' web presence, including wels.net and social media outlets
- Graphic design services to all areas of ministry
- Coordination of public responses and communications of the synod

Synod Nominating Committee

Selection of nominees for convention elections

Congregation and Ministry Support Group

- Commission on Congregational Counseling
- Commission on Worship
- Commission on Evangelism
- Commission on Special Ministries
- Commission on Adult Discipleship
- Commission on Youth and Family Ministry
- Commission on Lutheran Schools

Continuing Education for Called Workers Committee

Coordination of efforts to help called workers grow in faith, knowledge, and skill

Translation Liaison Committee

Evaluation of major Bible translations and communication with their editors and publishers, including suggestions for improvements to translations

Synod convention**District ministries and functions**

- Costs related to the functions of the districts, district praesidia, and circuit pastors
- District conventions and other meetings
- District committees

Conference of Presidents

Floor Committee #2

The Conference of Presidents (COP) is composed of the 12 district presidents, elected by their respective districts, as well as the synod president and the two synod vice presidents, all of whom are elected by the synod convention. The synod president serves as the chairman of the COP. The synod secretary, also elected by the synod in convention, serves as a non-voting advisory member of the COP.

The COP meets in person three times annually for regular meetings and monthly via teleconference between regular meetings. The COP also meets at Martin Luther College and Wisconsin Lutheran Seminary in May each year in its role as the Assignment Committee of the synod.

The COP is divided into three standing committees: Doctrine, Called Workers, and Congregations.

The Conference of Presidents is entrusted with the following broad responsibilities:

- Overseeing all matters of doctrine and practice to ensure that the synod, its congregations, its called workers, and other affiliated entities remain faithful to the Scriptures and the Confessions of the Evangelical Lutheran Church.
- Working to maintain and strengthen the synod's unity in doctrine and practice and in its purpose and mission.
- Assisting congregations in the calling process by providing candidates for divine calls and appropriate advice.
- Providing counsel to congregations either directly or through the circuit pastors of the district in matters dealing with ministry, governance, and relationships between congregations and called workers.
- Overseeing the various ways in which congregations and individual members provide financial support for the work of the synod, including ongoing instruction in Christian stewardship, encouragement of Congregation Mission Offerings (CMO), and planning for special offerings that may be held periodically.
- Overseeing and serving as the calling body for the work of the Ministry of Christian Giving, as well as for all units of the Congregation and Ministry Support Group. It also oversees the other areas included in Congregation and District Ministry, including Communications Services, the Commission on Inter-Church Relations, and the Support Committee.
- Communicating and promoting the synod's mission and ministry in the districts.
- Providing counsel to the synod president as he carries out his responsibilities.
- Overseeing the planning of the synod convention.

The COP spends significant time at each meeting reviewing issues relating to calls and vacancies, addressing issues that affect congregations and called workers, and discussing specific matters of doctrine and practice. The group functions primarily as a "conference" to provide a forum for district presidents to confer with each other and to provide and receive guidance and input from one another.

The COP works in close cooperation and consultation with the Synodical Council (SC). Three district presidents, along with the synod president and two vice presidents, serve as members of the SC.

Overseeing matters of doctrine and practice

Each district president, along with his district officers, is entrusted with the responsibility of overseeing doctrine and practice in his district, including carrying out discipline of called workers when Christian love and faithfulness to God's Word require it. To assure as much consistency as possible from district to district, the COP devotes considerable time in its meetings to discussing practical situations, providing a forum for mutual advice and encouragement.

From time to time, the COP as a group addresses doctrinal issues or matters of practice that affect the entire synod in an effort to strengthen the doctrinal unity we enjoy. This may involve clarifying and communicating doctrinal positions, addressing specific issues after in-depth study, and producing (or overseeing the production of) documents that summarize scriptural doctrines and evangelical practice. The results of efforts are intended to be pastoral and evangelical in nature, not in any way formulating new canon law in a legalistic way.

The COP is fully committed to the biblical principle of Christian freedom in matters of adiaphora (things neither commanded nor forbidden by Scripture); at the same time it continues to encourage called workers and lay leaders

to exercise their Christian freedom with wisdom, brotherly love, and extensive consultation with others in our fellowship who may be affected. The COP continues to encourage open and brotherly discussion of such things as worship style, outreach efforts, and congregational organization. The COP believes that such discussion, when done in a spirit of Christian love and based on an ongoing study of the Scriptures, is essential to maintaining our synodical unity, a correct understanding of Christian freedom, and our clear identity as a confessional Lutheran church body.

The COP has recognized its responsibility in this area of its work and has maintained a high standard in producing and approving doctrinal studies and practical policies. But while the COP is responsible for supervising, maintaining, and strengthening unity of doctrine and practice, a practical reality for members of the COP and its Doctrine Committee is that, due to the press of other duties and responsibilities, the length of time needed to produce sound scriptural study documents or doctrinal statements can be unduly extended. To provide assistance in addressing doctrinal and practical issues in a timely manner and in keeping with the gifts the Lord provides to his Church, the COP has recognized that at times it can better carry out such work through the use of ad hoc committees appointed to address a specific subject, rather than the appointment of a standing doctrinal commission or by assigning the work exclusively to the Doctrine Committee of the Conference of Presidents. Work produced by such committees is then submitted to the COP for approval and for public distribution.

Assignment of ministerial candidates

In its role as the Assignment Committee of the synod, the COP continually monitors the number of candidates graduating from Martin Luther College (MLC) and Wisconsin Lutheran Seminary (WLS). The vast majority of assignments are made in May, with a smaller number assigned after the mid-year graduation at MLC.

The Assignment Committee also assigns third-year seminary students to their place of vicarship. These assignments are made by the COP after extensive consultation with Wisconsin Lutheran Seminary and the Board for Home Missions. Since the vicar year is actually a part of the seminary's program of education, the seminary provides extensive input into the vicar assignment process to ensure that the candidates are placed in locations where they can receive thorough training in the practical aspects of the pastoral ministry. Candidates who are identified as having gifts for evangelism/outreach are often assigned to supervising pastors with proven gifts for the same so that the vicar's evangelism/outreach gifts may be further developed. The "Vicar in a Mission Setting" program has worked well to provide outreach-ready graduates for assignment.

Continuing education for called workers

Acting on a recommendation from the Ad Hoc Commission, the 2009 convention called for the establishment of a flexible program of continuing education for called workers. The Continuing Education for Called Workers Committee (CECW) began to develop such a program shortly thereafter. Significant progress has been made and will be outlined in a report from the CECW to the 2017 convention (see p. 16).

Process for regaining eligibility to serve as a called worker

The COP addressed the process by which called workers who have lost their eligibility to serve in the public ministry can seek to have that eligibility restored. In the case of pastors, this status of being eligible for a divine call into the pastoral ministry is referred to as *candidatus reverendi ministerii* (CRM). In the case of teachers, this status is referred to as "eligible and available" (E & A) for a divine call into the teaching ministry. Decisions are made based on the current and past circumstances, letters of recommendation, and steps taken by the former called worker to resolve any outstanding issues that may be a hindrance to serving. Guiding the final decision is a commitment to be sure that biblical qualifications for the public ministry are met.

Previously, the decision whether or not to restore a person's eligibility to serve in the public ministry was solely the responsibility of the *praesidium* of the district where the worker had previously served.

Because such decisions do not affect only one district but in fact may have an impact on any district of the synod (since eligibility affirms that a worker can serve anywhere), the COP has added a step to the process for restoring CRM or E & A status. When a district president receives a formal request for restoration of eligibility, he reviews the information with his district *praesidium*. He then brings the matter to the entire COP for advice and input. Once that advice and input is given by the COP, the district president, together with the rest of the district *praesidium*, makes the final decision. This process provides broader input and a synodwide perspective prior to a decision.

Funding for the synod's mission and ministry

While the SC is responsible for formulating and recommending the synod's ministry program and the financial plan that supports it, the COP is responsible for funding the ministry program adopted by the synod in convention.

The COP operates under the principle that the foundational support for the mission and ministry of the synod is the Congregation Mission Offering (CMO). Other sources of financial support, such as gifts from individuals, bequests, grants from foundations, etc., are great blessings and play an important role in providing the resources necessary to carry out the synod's work. Gifts from these sources can vary widely from year to year; CMO, on the other hand, has been a more consistent and predictable source of financial support.

The COP works to encourage congregations to increase their CMO commitments and to meet or exceed those commitments by the end of the year. CMO over the past ten years has been flat, while costs continue to rise. The total CMO received has not kept pace with inflation. In recent years, other unexpected gifts have made it possible to avoid serious reductions in ministry, but such sources of financial support cannot be assumed. The COP has discussed ways to foster Spirit-worked generosity and to encourage increased CMO to enable the synod to maintain and even to expand its mission and ministry. Included in these plans is the production of videos in which each district president will deliver a message to his district describing the importance of CMO in maintaining and expanding the synod's mission and ministry.

The vast majority of congregations provide financial support for the synod's work through CMO and other gifts. There are a number of congregations, for various reasons, that provide no CMO support for the work we do together as a synod. The district presidents and circuit pastors will continue to encourage these congregations to participate in the joy of supporting our synod's work to the extent that they are able. The COP has been working with the Ministry of Christian Giving and WELS Communication Services to develop ways to communicate with congregations regarding the importance of CMO.

The COP is also working with the Ministry of Christian Giving to put into place a "Mission and Ministry" Sunday. It will be similar in purpose to mission festivals and to the "Walking Together" emphasis in past years, namely, to provide helpful information about the work that we do together as a synod and to encourage congregations and individuals to provide financial support for that work. Due to the celebration of the 500th anniversary of the Lutheran Reformation in 2017, the COP will encourage all congregations to set aside a Sunday for this purpose in November. In future years, the plan is to hold the WELS Mission and Ministry Sunday in October.

Need for called worker recruitment

Vacancies in both pastor and teacher positions have been increasing in recent years, and the current supply of candidates has not been able to keep pace with the need. The COP will be encouraging increased efforts by pastors, teachers, congregations, parents, and grandparents to recruit young people for full-time ministry.

Capital debt retired ahead of schedule

In 2008 all capital debt of the synod was combined into a single consolidated debt. The total debt at that time was \$22.4 million. The decision was made in 2008 to begin the effort to eliminate the debt through a special offering called the Year of Jubilee. Efforts to repay the debt began with an initial synodwide special offering called the "Year of Jubilee" offering. Through that offering and in the years that followed, the people of the synod brought gifts for debt retirement totaling approximately \$5 million. A plan was then put in place to amortize the remaining debt by the end of 2018 by budgeting for annual payments of \$1.6 million.

Last year, with the desire to retire the debt ahead of schedule, the Conference of Presidents authorized a second special offering called the "One in Christ" offering. The people of the synod responded again with gifts of \$3.1 million. Those additional gifts coupled with regular payments since that time made it possible for the Synodical Council to make the final payment on the debt last December.

The synod is now completely debt-free. Dollars previously set aside for debt payment can now be used to support the mission and ministry of the synod. This remarkable achievement, accomplished during a period of economic uncertainty, is truly a blessing for which we can be thankful to God. We humbly acknowledge that it happened only by God's grace and by the power of the gospel working in the hearts of his people.

Ministry of Christian Giving review

The 2015 synod convention directed that a special committee be appointed to conduct a thorough review and analysis of the WELS Ministry of Christian Giving (MCG). Since the MCG reports to the COP, the committee's draft report was shared with the COP in preparation for its submission to the 2017 convention. The committee's report and recommendations can be found on p. 35.

As the calling body for the Ministry of Christian Giving, the COP has extended calls to fill vacancies on the Ministry of Christian Giving staff created by retirements.

Congregation and Ministry Support Group

Since 2009 what had been the Board for Parish Services has been restructured into the Congregation and Ministry Support Group (CMSG). The most significant change in the restructuring was the placement of the various commissions of the CMSG under the direct supervision of the COP. This change has been highly beneficial, since the COP now has a better understanding of the work being carried out and is in a better position to promote and support it. Some CMSG entities are served by full-time directors (Lutheran Schools, Worship, Evangelism, Special Ministries, and Congregational Counseling); these directors are called by the COP. The chairman of each commission is elected by the synod in convention; members of all commissions are appointed by the COP. Each of these commissions will report to this convention.

The Commission on Congregational Counseling (CCC) was first established by the COP in 2010. Pastor Jonathan Hein serves as the director of the CCC. Initially Hein remained in the congregation he served rather than being based at the WELS Center for Mission and Ministry, with the synod providing a full-time pastoral assistant. The first call extended to Pastor Hein was to serve two one-year terms, but he has since accepted the call to serve permanently in this position while continuing to serve in his congregation.

Discussions are ongoing regarding the best way for the CMSG to be organized and how the various commissions can work together most effectively. It should be noted that one of the bylaw changes recommended by the COP is that this entity be renamed “Congregational Services” (see p. 220).

At its April 2017 meeting, the COP extended a call for the position of director of discipleship, who will serve both the Commission on Youth and Family Ministry and the Commission on Adult Discipleship. Funding for this position has been included in the ministry financial plan proposed by the Synodical Council.

Student debt at the ministerial education schools

The COP continues to monitor the level of student debt incurred by those who are preparing for the public ministry in our synod. Such debt can have a serious impact on the financial situation of called workers as they graduate and begin their service. Discussions have been held with Martin Luther College (MLC) regarding ways that the debt burden can be reduced. The COP approved MLC’s proposal to encourage congregations to participate in providing financial assistance to their members who are studying for the public ministry, with MLC then providing matching funds to increase the amount provided. The Congregational Partnership Grant Program was begun as a pilot program last year and proved to be successful. It will be expanded in the coming years. In addition, the governing board of MLC has been working to adopt only modest tuition increases to encourage more students to attend and to benefit those who do enroll.

Reformation 500

A special committee has been working to plan various ways for the synod to commemorate the 500th anniversary of the Lutheran Reformation. Included in the plans are various Reformation-related publications, a Reformation 500 website, special events, and the production of a new docu-drama film on the life and work of Martin Luther. A special screening of this movie will take place during the convention. In addition to these synodical efforts, special joint Reformation worship services will be held in various places throughout the synod.

Principal training and urban ministry

The COP has been actively involved with the Commission on Lutheran Schools and Martin Luther College to address two significant needs. One of those is the need for implementing ways to increase the number of qualified principal candidates. A special principal training program was begun several years ago to assign new graduates to work for three years under the tutelage of a veteran principal. After three years of training, the teacher would then be re-assigned to another school to serve as a principal.

Ideally, the COP prefers not to assign new graduates of Martin Luther College as principals, recognizing that it is difficult to develop good teaching skills while also having the administrative responsibilities of principal. In view of that preference, the COP adopted the following resolution:

Beginning in May, 2017, we will make every effort not to assign candidates as principals or principal apprentices. Instead, we will encourage congregations to call from the field those who have attained—or are working toward—WELS Principal Credentials. Our goal will be not to assign

principals or principal apprentices after May 2021. We understand that there will be a transition time in the next three to five years as we work toward full implementation.

This includes COP encouragement for congregations to meet or exceed the synod-adopted guidelines for principal administration time and compensation.

As this is implemented, the COP will work with the Commission on Lutheran Schools and congregations to fill principal vacancies in an appropriate way.

The COP also recommends that synod certification for principals include the WELS Principal Credential that meets or exceeds the competencies outlined in the WELS Principal Standards.

Given the shortage of principals, the COP will strive to avoid assigning candidates as principal apprentices, but there may be a need to do so in a limited way until the plans for the principal training program are fully implemented and able to supply the need for principals.

The other matter addressed by the COP is the increasing need for students who are trained and equipped to serve in the synod's growing urban education programs. The COP approved a plan to implement a one-year apprenticeship (similar to the vicar program) in urban settings. Martin Luther College has also increased its efforts to provide training in urban ministry.

In addition to those steps, meetings held early in 2017 were attended by representatives of various constituencies in our synod to discuss the challenges of providing a sufficient number of qualified candidates for urban schools. As a result of those meetings, several special committees have been formed to explore the options available and to recommend the best course of action.

Guidelines for special conferences and events

There are times when organizations and groups plan events and conferences. The COP has adopted the following guidelines to assist those who are making the plans.

Guidelines for special conferences

1. If the event is solely for your district or regional in nature, please contact your district president well in advance and actively involve him as you begin making plans for the event because he is responsible for doctrine and practice in his district. If it is multi-district in nature, contact the synod president who will, in turn, contact the Conference of Presidents.
2. Give careful thought as to whom you ask to give presentations. As much as possible, we encourage using WELS presenters. We recognize that there may be people outside of our fellowship who have expertise in a particular field that may be helpful to your audience. If you feel compelled to recruit such a presenter, you will want to determine whether false doctrine could be brought into the presentation or spiritual truths could be taught. If that is the case, such a presentation should be avoided. Be sure to instruct presenters who are outside our fellowship about not opening or closing the presentation with prayer. It may be best to ask at the outset of your planning, "Is there someone in our fellowship who can share the same information, but with a Lutheran and scripturally sound point of view?"
3. We recognize that women may well be more appropriate for teaching women in many contexts. Be careful to observe the biblical roles of man and woman so that women are not teaching men in such a way as to exercise authority over men.
4. Good scriptural and Lutheran theology partnered with gospel motivation should drive all biblical presentations. Because we are rightly sensitive to "church growth" philosophy and methodology, evangelicalism, Romanism, a theology of glory, and other such false teachings, do any of your presentations appear to come from those backgrounds? Will people who see your promotional materials draw wrong conclusions? What message is being sent? What confession is being made?

Finally, the COP thanks you for keeping these guidelines under consideration as you plan events. The members of the COP want to support your efforts and are confident of your brotherly cooperation. They are always willing to answer any questions about these guidelines and will gladly offer clarification. May our Lord Jesus be glorified by all we do!

Bible translations

The Holman Christian Standard Bible has undergone a significant revision. It has now been renamed the Christian Standard Bible. Working with the Translation Liaison Committee, the COP appointed a committee to conduct a thorough review of the revised translation and to submit its conclusions when completed. The Christian Standard Bible Review Committee will report to the 2017 convention (see p. 15).

The Evangelical Heritage Version, a new translation undertaken by a group of WELS and Evangelical Lutheran Synod pastors and scholars, is nearing completion and is expected to be released in its entirety within the next two years. The Gospels and Psalms will be published in a separate volume this summer by Northwestern Publishing House. It's expected that a review of the entire translation will be requested once the entire Bible is published and made available for sale by NPH.

Fellowship practices in our schools

In 2015 the COP prepared a special “toolbox” of materials and resources for addressing fellowship issues in WELS schools. This was forwarded to high schools and colleges in our fellowship and has been studied carefully by the faculties and the governing boards of most of our WELS high schools. The COP encourages ongoing study and discussion of the biblical principles involved and how those principles can be faithfully applied. The matter is also a subject of continuing discussions between the Doctrine Committee of the COP and the Evangelical Lutheran Synod Board of Doctrine. We look for those discussions to continue in the fall of 2017.

Using the gifts of women in administrative roles

The COP, together with the Commission on Lutheran Schools, has undertaken a study of how the gifts and skills of women teachers can be utilized in ways that are in keeping with biblical principles. The study will be shared with the synod when it is completed.

Calling at synodical schools

The current bylaws outline a procedure for gathering nominations for those who serve on the faculties of our synodical schools. There are a number of elements of this procedure that cause some difficulties in the calling process. The COP has directed President Schroeder to appoint a committee to review the current system and to make possible recommendations for bylaw changes to be considered by the 2019 synod in convention if such changes appear to be necessary and beneficial.

Preparation of delegates to the synod convention

In the past some delegates to synod conventions have expressed their view that they were not adequately prepared and equipped to serve as delegates. The COP has worked with WELS Communication Services to improve this preparation process. Delegates to the 2017 convention will be surveyed to determine whether these changes have helped them to feel informed and equipped to serve as delegates.

Military chaplaincy

The COP received a request to re-examine the issue of participation in the military chaplaincy program due to possible changes in the way the program functions in today's armed forces. A special committee was appointed to study the matter. The following is the report and recommendations of that committee, which the COP received with thanks and approved in September 2016:

Though there have been significant, meaningful changes in the military chaplaincy since the 1950s—changes which have granted more safeguards for those serving in the military chaplaincy—it is nonetheless the recommendation of the Military Chaplaincy Study Committee that the changes are not such that would allow us to participate in the military chaplaincy at this time.

1. The military chaplaincy continues to conflict with the doctrine of the two kingdoms because in the military chaplaincy the government has created and operates a spiritual office which exists to care for souls with the Means of Grace—or whatever religious text and rites a group regards as true.
2. The military chaplaincy as currently constituted is built on, operates from, and supports the foundational idea that all religious beliefs are equally valid.
3. The military chaplaincy also continues to conflict with the doctrine of the divine call because service in that office, which uses the Keys as a military chaplain, requires more than the Call of the Lord through his Church; it also requires the approval of the military. In addition, the military reserves for itself the unilateral right to end one's use of the Keys as a military chaplain.

Encouragement

We would also like to offer our encouragement that we as a synod do absolutely everything within our power to serve our WELS servicemen and women—both active duty and retired—to the fullest extent possible as civilians. This is not meant to imply that we are not doing so now.

In particular, we would like to ask the COP to encourage every congregation in our synod to seek out members of their congregation who have served in the military and to offer them any help they might need. There are men and women in our congregations who are suffering—sometimes silently—from the wounds of wars they fought on our behalf.

We also encourage the COP to continue to monitor the status of military chaplaincy on a regular basis.

Revisions to the bylaws

The COP and the Synodical Council have submitted recommendations for changes to the bylaws. The complete list of recommended changes can be found on pp. 213-225 and will be addressed by Floor Committee #20 (Constitutional Matters).

Meetings with the faculty of Wisconsin Lutheran Seminary

In 2016, the COP held its first meeting with the faculty of Wisconsin Lutheran Seminary to foster close communication between the COP and the seminary faculty and to discuss issues of common interest, particularly in the areas of doctrine and practice. A second meeting was held in May 2017. All involved agreed that these meetings have been very beneficial and should be continued on a regular basis.

The COP will also propose that a similar meeting be held with the pastor-track faculty of Martin Luther College.

Mid-year assignments

The COP made the following mid-year assignments:

- Austin Eisenmann to St. Mark, Winona, Minn. (grades 5-6); assignment made permanent
- Joel Koschnitzke to Holy Cross (ELS), Madison, Wis. (grades 7-8); assignment made permanent
- James Christensen to St. Marcus, Milwaukee, Wis. (various grades); one semester
- Desiree Alge to St. Marcus, Milwaukee, Wis. (lower grades); one semester
- Kristin Rockhoff to Crown of Life, Hubertus, Wis. (preschool); one semester
- Galen Holzhueter to Martin Luther College, New Ulm, Minn. (recruiter); one year

Our thanks and our welcome

Pastor John Guse (South Atlantic District), Pastor Herbert Prah (Western Wisconsin District), and Pastor David Rutschow (Southeastern Wisconsin District) concluded lengthy service as district presidents in the summer of 2016. Pastor Earle Treptow (Nebraska District) took a call to the seminary. We thank these men for their faithful service and pray for God's blessings in the years to come.

The COP also welcomed four new members to replace those who departed. Pastor Charles Westra was elected president of the South Atlantic District; Pastor Michael Jensen was elected president of the Western Wisconsin District; Pastor David Kolander was elected president of the Southeastern Wisconsin District; and Pastor Phil Hirsch was elected president of the Nebraska District. We pray that God will give them wisdom, courage, and a pastor's heart as they serve as district presidents and members of the COP.

We offer a special word of thanks to Pastor-emeritus Carl Voss, who served the COP for many years by coordinating the process of finding semi-retired pastors to serve in vacancies or in part-time service. His efforts are no longer needed since the implementation of the synod's new database.

A look ahead

In addition to the aforementioned work, the COP will:

- Monitor the progress of the Hymnal Project and provide input and suggestions to the director.
- Work with Martin Luther College and Wisconsin Lutheran Seminary to recruit and train future called workers at an affordable cost.
- Address questions relating to congregational polity and organizational structure.
- Explore ways to improve coordination and communication between the synod and WELS parasynodical organizations.

- Encourage congregations to grow their Christian stewardship and in their financial support of the synod and its mission.
- Look for ways to assist the synod in maintaining its identity as a confessional Lutheran synod and to communicate our synod's beliefs to the outside world in a clear and loving manner.
- Work with the Commission on Congregational Counseling and other entities of the Congregation and Ministry Support Group to help congregations grow stronger and healthier through the Means of Grace.

The COP invites all members of the synod to join in thanks to a gracious God, who has blessed our synod with his pure Word, who has permitted us both to hear and proclaim the saving gospel, and who has united us as one in Christ—in faith, in mission, and in Christian love.

Rev. Mark Schroeder, reporter

Rev. Mark Schroeder, president and chairman
 Rev. James Huebner, first vice president
 Rev. Joel Voss, second vice president
 Rev. Jon Buchholz, Arizona-California District
 Rev. Charles Degner, Minnesota District
 Rev. Douglas Free, Dakota-Montana District
 Rev. Phil Hirsch, Nebraska District
 Rev. Michael Jensen, Western Wisconsin District
 Rev. David Kolander, Southeastern Wisconsin District
 Rev. Donald Patterson, South Central District
 Rev. John Seifert, Michigan District
 Rev. John Steinbrenner, Pacific Northwest District
 Rev. Donald Tollefson, North Atlantic District
 Rev. Charles Westra, South Atlantic District
 Rev. Joel Zank, Northern Wisconsin District

Advisory:

Rev. Robert Pasbrig, secretary

WELS Support Committee Floor Committee #2

Our calling

Do not cast me away when I am old; do not forsake me when my strength is gone” (Psalm 71:9). Our synod wants to be an answer to this prayer. The WELS Support Committee has been established by the synod to carry out Christ’s love for the faithful servants of the church who are now retired but do not have the financial resources to meet normal living expenses. The committee works through the district first vice-presidents to identify those individuals and/or their surviving spouses who have needs and provide them with the level of financial support that allows them to live with dignity and in reasonable comfort. Requests for support need to be made and approved in order for assistance to be provided. Application forms are used to determine the level of need when requests are made.

The following considerations affect the financial assistance the Support Committee provides:

- The fund is not an entitlement program.
- The fund is not an extension of the synod’s pension plan. The financial assistance received is a charitable gift from the synod to those in need.
- The fund is not established to provide temporary assistance for those who resigned from the ministry.
- The fund does not grant financial assistance to those who need assisted living and nursing home care.
- The fund is not intended to be the main source of income. Assets and other means of income are expected to be used first, with Support Committee income supplementing those resources.

Our current situation

The committee is composed of five district first vice presidents of WELS. The first vice president in every district is the contact person for the Support Committee. The Support Committee looks to local pastors, circuit pastors, and district officers to be alert to possible circumstances of need on the part of retired called workers and their surviving spouses living in their district. These pastors inform the retired called worker/spouse needing help of the possibility of receiving financial assistance from the Support Committee and, if needed, communicate this situation also to the chairman of the Support Committee. In 2016 there were 26 family units or individuals throughout the synod receiving support. The amount budgeted to provide support for these family units was an expenditure of \$250,000 for the year. Sometimes during the course of a year new requests are made to the Support Committee. We thank our Lord for enabling our synod to take care of all those who needed assistance in 2017.

A look ahead

The Support Committee continues to provide assistance to retired called workers and/or their surviving spouses as long as synod finances make it possible. At the beginning of 2017, 19 family units were receiving support, calling for a monthly expenditure of \$13,925 and an annual budget for approving requests of \$167,100. The Support Committee budget is no longer able to cover the cost for subscriptions to *Forward in Christ*, *Meditations*, and *Wisconsin Lutheran Quarterly*. The Support Committee thanks Northwestern Publishing House for covering the costs of these subscriptions to provide support recipients with the periodicals requested.

Rev. Mark Johnston, reporter

Rev. Mark Johnston, chairman

Rev. Jerry Ewings

Rev. Dennis Klatt

Rev. Joel Leyrer

Rev. Glenn Schwanke

Rev. Donald Sutton

Translation Liaison Committee

Floor Committee #3

Our calling

The Translation Liaison Committee (TLC) was established in November 2013 by the Conference of Presidents to carry out a resolution of the 2013 WELS convention. The purpose of the TLC is “to evaluate major Bible translations; to communicate with their editors and publishers; to offer, when appropriate, suggestions to improve such translations; and to share its findings with the synod at large” (2013 *WELS Proceedings*, p. 68).

Our current situation

Recommendations for the Christian Standard Bible

It was reported in the 2016 *Report to the Twelve Districts* that the TLC had worked hard in 2014–15 to submit translation recommendations for the Holman Christian Standard Bible, as it was making plans for a revision. By the time the deadline for suggestions came in April 2015, the TLC had submitted 56 pages of “global recommendations” dealing with issues not limited to one passage or context and 1,031 recommendations on individual passages.

In fall 2016, the TLC was given a chance to look at the revised text, which now will be called the Christian Standard Bible (CSB). We were pleased to see that many of our recommendations were adopted. All eight of our global recommendations were adopted, not just because of our WELS input. The same recommendations were undoubtedly shared by others as well. With our recommendations on individual passages, about 51 percent were adopted as we recommended. About 25 percent were changed in a way different from what we recommended, but in a way that took care of the problem. About 1 percent were put into a footnote, and about 23 percent were not adopted.

The fact that the CSB has incorporated some WELS input does not automatically mean that the CSB is the best translation for use in WELS. The CSB needs to be reviewed and tested, especially since it is more than just the familiar HCSB with a few modifications. However, the way things have gone with the TLC and the CSB suggests that there is benefit for WELS to have the TLC interact with Bible publishers. It is possible for WELS to have some influence on modern translations.

The arrival of the CSB is another reminder of how blessed we are as English-speaking Christians to have so many high quality Bible translations available in our language. It is also a blessing that some of them make efforts to improve their translation.

Synodwide review of the Christian Standard Bible

The 2015 WELS convention resolved that “when the revision of the HCSB appears, the Conference of Presidents (COP) direct a synodwide review to take place, coordinated either by the TLC or a new committee appointed for that purpose.” To carry out this resolution, the COP in November 2016 appointed five WELS pastors to a new Christian Standard Bible Review Committee to oversee a review.

The TLC has given a limited amount of help to this new committee as it has begun its work. We have shared ideas about what to look for in the review, and we have shared resources from the WELS translation review that was done in 2012.

Beyond that, the TLC does not intend to participate. We see wisdom in the COP’s decision to establish a new committee for the review so that the CSB can be looked at objectively with fresh eyes. We will be eager to see what this review uncovers, however, as the CSB is evaluated by numerous WELS pastors.

Availability of the Christian Standard Bible

Preliminary print copies of the CSB were unveiled at the convention of the Evangelical Theological Society in November 2016, and the text was posted online in January 2017. A variety of print editions have been promised for March 2017, with more to follow throughout the year. Northwestern Publishing House has decided to stock the CSB, so print copies may be acquired through them.

For more information about the CSB, interested individuals may visit csbible.com.

Contacts with the English Standard Version

When the TLC learned that the English Standard Version (ESV) oversight committee would be meeting in July 2015, the TLC quickly drafted and submitted seven translation recommendations. Subsequently, we did not hear about the meeting or what happened with our recommendations.

In September 2016, President Lane Dennis from Crossway issued a statement about the text of the ESV. The overseers of the ESV had given thought to freezing the ESV text permanently for all future editions, but they stepped back from that position, allowing for the possibility of modest changes in the future. The key paragraph reads:

Our goal at Crossway remains as strong as ever to serve future generations with a stable ESV text. But the means to that goal, we now see, is not to establish a permanent text but rather to allow for ongoing periodic updating of the text to reflect the realities of biblical scholarship such as textual discoveries or changes in English over time. These kinds of updates will be minimal and infrequent, but fidelity to Scripture requires that we remain open in principle to such changes, as the Crossway Board of Directors and the ESV Translation Oversight Committee see fit in years ahead.

In view of this statement, the TLC will remain open to the possibility of more ESV recommendations in the future, although the TLC does not have plans to work on the ESV immediately.

Contacts with the New International Version

In May 2016, the TLC submitted 33 translation recommendations to the Committee on Bible Translation, which oversees the text of the NIV. Chairman Douglas Moo received the recommendations with thanks and said that they will be considered by the CBT. Although there are no immediate plans for a revision of the NIV, the 15-person Committee on Bible Translation continues to meet every summer to consider improvements to the text.

A glance at our 33 NIV recommendations will reveal that our work on the NIV was by no means comprehensive or uniform. Many of our first recommendations are minor issues of English style, and most are not of theological

substance. However, this is a start. In the coming years, the TLC hopes to write more recommendations, perhaps covering the whole Bible eventually.

TLC on the WELS website

In order to be transparent about our work, the TLC has posted all of our translation recommendations on the WELS Resource Center. If interested, visit bibletranslation.welsrc.net.

A look ahead

Continued contact with the Christian Standard Bible

The TLC plans to remain in contact with the publishers of the CSB. Overseers of the CSB have expressed interest in meeting WELS leaders, and such a meeting is being arranged in the Milwaukee area for early fall.

Now that their major revision has just been published, CSB overseers have no plans for another revision soon. But their oversight committee will remain in place, and we have been invited to submit recommendations pertaining to the CSB for eventual consideration as the years go by.

Recommendations in the future

The TLC will not be submitting any translation recommendations to Bible publishers in the spring of 2017. After our flurry of activity in the first three years, we are taking a breather. We also are becoming acquainted with the CSB as we now have it in our hands.

In the future, since the TLC has an open door to both the NIV and the CSB, we need to decide where to expend our best energies, or if we should continue to work with both translations. In this regard, the TLC will be eager to see the synod's response to the CSB, and we welcome input from WELS Bible readers.

We also welcome suggestions about the translation of individual Bible passages, if someone sees something that could be translated better. We would be happy to consider turning such suggestions into formal recommendations from the TLC. Such suggestions may be shared with any member of the TLC.

Prof. Thomas Nass, reporter

Prof. Thomas Nass, chairman
Rev. Glenn Schwanke, secretary
Rev. Brett Brauer
Prof. Kenneth Cherney Jr.
Prof. Joel Fredrich
Rev. Geoffrey Kieta
Prof. Paul Zell

Appendix: Christian Standard Bible Review Committee

Our calling

The WELS Conference of Presidents has appointed a committee of five pastors to conduct a review of the Christian Standard Bible (CSB). In 2017 Holman Bible Publishers published this revision of the Holman Christian Standard Bible (HCSB). The HCSB was one of three translations given special attention by the WELS Translation Evaluation Committee (TEC) in 2012 for possible use in our publications.

Our current situation

The CSB merits a thorough study and review by our church for a number of reasons. One is the past consideration the HCSB received for possible use in our own publications.

Second, the CSB has chosen to change course on a number of translation choices that made the HCSB somewhat unique among modern English Bible translations. Included in these changes are the decision not to use the transliterated Hebrew name "Yahweh" where English translations have traditionally used the title LORD; more judicious use of the word "slave," which had often been used where other translations use the word "servant;" use of the word "tongues" in certain contexts where the HCSB had chosen to translate "languages;" no longer capitalizing pronouns that refer to God; and some revision of the way it handles so-called "inclusive language" issues.

Third, representatives of our own church have provided extensive input into the translation of the CSB. During the revision process, the CSB's Translation Oversight Committee received a number of recommendations from the WELS

Translation Liason Committee, and it seemed to receive them favorably. A formal review will help to ascertain the degree to which our concerns were addressed in this new revision.

A look ahead

The process that the WELS CSB Review Committee is following reflects the process used in the 2012 review of the HCSB, the ESV, and the NIV11. We are using the same 34 divisions of the biblical text. Each section will be studied and reviewed by three men, each working independently. They will forward their evaluations to the CSB Review Committee for analysis and consideration in our final report.

In addition, our review will include a closer look at the way the CSB translates passages used to teach specific doctrines. For this part of our project we have enlisted the assistance of members of the Systematics Department at Wisconsin Lutheran Seminary and the Doctrine Committee of the Conference of Presidents. Holman Bible Publishers is a publishing arm of the Southern Baptist Convention, which generally shares with us a belief in the authority and inerrancy of Scripture. Its Reformed roots and connections with American Evangelicalism lead to a number of doctrinal differences with Confessional Lutheranism. This part of our review hopes to expose any doctrinal biases that may have crept into the translation as a result. It is worth noting that one member of the CSB's own Translation Oversight Committee is a member of our sister synod, the Evangelical Lutheran Synod, and another is a professor in the Lutheran Church–Missouri Synod.

The WELS CSB Review Committee will report on the progress it has made to the synod convention in 2017.

Rev. John Vieths

Pastor John Vieths, chairman
Pastor Samuel Degner
Pastor Adam Mueller
Pastor Ray Schumacher
Pastor Mark Voss

Continuing Education for Called Workers Committee Floor Committee #3

Our calling

As our synod convention meets under the theme “Our Great Heritage,” we have many reasons to be thankful for the strong heritage in our midst of thorough training for our staff ministers, teachers, and pastors as we prepare those young men and women for their first full-time call into public ministry. The work of the Continuing Education for Called Workers Committee (CECW) seeks to build on that strong pre-ministerial heritage of training by assisting called workers to continue to grow in all their God-given callings for all their years of service in the public ministry.

The CECW reports to the Conference of Presidents (COP) and is chaired by our synod's first vice president. Serving on this committee are representatives of our synod's Board for Ministerial Education and Congregation and Ministry Support Group (CMSG) as well as representatives from Martin Luther College (MLC) and Wisconsin Lutheran Seminary (WLS). The CECW is a clearinghouse that seeks to ensure that as a synod we are prepared to meet the various on-going growth needs of our called workers with a coordinated effort that provides sufficient resources and opportunities to support ministry-long growth.

Since so much of the work of the CECW focuses on the unique needs of those called into the teaching ministry, staff ministry, and pastoral ministry, this report continues by reporting first on what is happening and what is planned in continuing education for teachers and staff ministers. After that, there will be a section on present and future continuing education for pastors. We will also be reporting on the work of a special synod appointed continuing education task force whose work has now been completed.

Our current situation

Continuing education for teachers and staff ministers

It is impossible to identify all the ways that WELS called teachers continue their education because they do so through a plethora of methods and agencies. Our report is limited to synod-sponsored continuing education offerings and participation, but these show substantial growth.

A brief review

The 2009 synod convention addressed called worker continuing education by authorizing the Continuing Education for Called Workers (CECW) Committee to develop a “coordinated and comprehensive program of continuing education” in which “all called workers (are) encouraged to participate” (2009 *Proceedings*, p. 70). Subsequent synod conventions have further encouraged continuing education for teachers and staff ministers by authorizing Ministry Development Plans and New Teacher Induction (2011); by establishing minimum standards for principal administration release time and encouraging the synod to move away from assigning new teachers as principals (2013); and by advocating congregation continuing education funding of \$1,000 annually for each called worker (2015).

Positive progress

These synod directives have had an impact. During the 2015–16 academic year, 1,044 individuals participated in a variety of Martin Luther College offerings for teachers, from webinars to master’s level courses. Congregations or schools provided at least some of the funding for about 41 percent of those participants. The Commission on Lutheran Schools is piloting a process of Ministry Development Plans as a tool for Lutheran teacher reflection and growth. Plans are underway for a full roll-out of the process in 2018. A system of New Teacher Induction serves all beginning WELS teachers in every WELS district. In the fall of 2016, 132 first and second year WELS teachers were being supported by 103 trained mentors.

Progress can also be reported regarding the Master of Arts in Theological Studies (MATS) degree program. MLC has been working on this new graduate degree program for several years now. A significant challenge has been finding properly degreed people who are able and willing to commit as instructors, but that challenge has been substantially met, and a number of courses are currently in development. The next step will be to submit a proposal for approval to the Higher Learning Commission, the accrediting association for MLC. The MATS will be offered online, as MLC’s other graduate degrees are; it will provide spiritual and professional growth through advanced studies in Scripture, doctrine, church history, and ministry. It is designed primarily for synodically certified staff ministers and teachers in order to equip them with a broader and deeper foundation for their service in the public ministry.

Supporting principals

While maintaining the above initiatives, the CECW is turning its attention to support for Lutheran school principals. There are several reasons for this focus. First, principal support has been addressed by the synod in the WELS Long-Range Plan since 2011. Second, improving principal support was a main recommendation of the Task Force for Lutheran Schools report in 2013 and included in synod resolutions. Third, today’s WELS schools and their principals face unprecedented stress.

The CECW brings together representatives from the Conference of Presidents, the Commission on Lutheran Schools, and Martin Luther College to address the systemic challenges of the WELS principal position. This new approach focuses primarily upon the preparation and calling of initial principals and is called the 21st-Century Principal Initiative. The goal is simple: Every WELS principal is fully trained prior to receiving a school leadership call and receives the administrative release time and compensation needed to ensure success.

A new approach is needed because the WELS traditional approach no longer meets the needs of 21st-century Lutheran schools. The traditional WELS approach 1) identifies a man with “gifts for leadership,” 2) calls or assigns him to be principal, and 3) lets him decide how, when, or whether to get training. The traditional approach places unprepared principals in sink or swim situations and establishes no entry-level competencies for principal understandings and skills.

As the 2013 Task Force for Lutheran Schools pointed out, today’s principal position is much more complex than most realize. Successful principals need “gifts for leadership,” a wide range of school leadership knowledge and skills, and the time to carry out their responsibilities.

In contrast to the traditional approach, the 21st-Century Principal Initiative proposes to 1) identify men with “gifts for leadership,” 2) fully prepare them with identified knowledge and skills, and then 3) call him as principal of a school that meets or exceeds the standards for administrative time and compensation.

The WELS 21st-century new principal preparation model

The 21st-century principal model addresses the deficiencies of the traditional approach and ensures that newly called principals are positioned for success beginning their first day. The model is intended for preparing new principals, not for existing principals, and has the following components.

1. Full principal preparation

- a. Minimum of three years of classroom only experience. Principal candidates must complete a minimum of three years of teaching in their own classrooms. This enables beginning teachers to focus solely on teaching skills and demonstrate their congregational and school leadership potential. Beginning teachers will not be assigned as principals.
- b. Identification and recruitment of qualified candidates. The Commission on Lutheran Schools uses the Leadership Candidate Training program to recruit veteran teachers who demonstrate gifts for ministry leadership and administration to participate in a three-year principal preparation cohort.
- c. Earning the WELS Principal Credential. New principal candidates earn the credential by demonstrating competence in the WELS Principal Standards. Full preparation includes a three-year program involving the Leadership Candidate Training program and the MLC Master of Science in Educational Administration program for WELS principals. Ideally, principal candidates become call eligible upon completion of the WELS Principal Credential.

2. WELS principal position structure

- a. Schools provide sufficient administration time. Schools calling for a principal demonstrate they meet or exceed the synod-adopted guidelines for administrative release time. The guideline calls for one hour per week of administrative release for every 7.5 students in the school.
- b. Schools provide a salary commensurate to the responsibilities. Schools calling for a principal demonstrate they meet or exceed the synod-adopted guidelines for principal salary. Revised guidelines are being proposed at the 2017 synod convention (see p. 100).

The primary focus of the initiative is to improve success for new principals. However, existing WELS principals will benefit from improved levels of administrative release time, compensation, and recognition of their experience and training. District presidents will work with all congregations and schools to meet or exceed the synod-adopted guidelines for time and compensation.

Additionally, the WELS Principal Credential, which 21st-century principal candidates receive upon completion of their preparation, can be awarded to veteran principals who demonstrate their achievement of the WELS Principal Standards through training and experience. Seeking the credential gives direction for ministry development plans. The WELS Principal Credential also denotes a fully-qualified principal to calling bodies.

Implementation

The 21st-Century Principal Initiative requires the cooperation and activity of many stakeholders. The following steps are being followed.

- Step 1: District presidents encourage all schools to meet or exceed synod-adopted guidelines for administrative release time and compensation.
- Step 2: Lutheran Schools recruits cohorts of 15 through Leadership Candidate Training (beginning in 2017).
- Step 3: Martin Luther College completes the cohort training in years two and three through the Master of Science in Educational Administration degree and seeks funding to award up to 50 percent tuition scholarships.
- Step 4: The Conference of Presidents and Lutheran Schools develop contingency plans to support schools with emergency principal vacancies.
- Step 5: In time, district presidents develop call lists of principal-credentialed people for schools that meet or exceed the synod-adopted guidelines for administrative release time and compensation.

Continuing education for pastors

Many avenues for continuing education for our pastors are available both within our synod and outside our synod. However, the CECW focuses on continuing education opportunities for our synod's pastors primarily through the work of the Congregation and Ministry Support Group (CMSG) and Wisconsin Lutheran Seminary (WLS).

While the CMSG has as its primary goal providing training and resources to strengthen the gospel ministry of our congregations through their lay leaders, there is much reported elsewhere on these pages under the various units of

the CMSG that provides ministry impacting growth opportunities for our synod's pastors. Here is a brief sampling of such opportunities for growth for our synod's pastors provided by the CMSG:

- National Conference on Worship Music & the Arts sponsored by the Commission on Worship;
- Chaplain training developed by the Commission on Special Ministries, administered through Martin Luther College; and
- ministry evaluation tools provided by the Commission on Congregational Counseling.

At WLS, the work of providing continuing education opportunities for WELS pastors has been a part of the seminary's assigned task for more than a century. For example, for more than a century the faculty has produced *Wisconsin Lutheran Quarterly*, a professional journal aimed at providing spiritual and professional growth for pastors. In addition, for more than four decades the seminary has held an annual Summer Quarter on its campus in Mequon as well as sending out its professors upon request all around the synod to teach and make presentations at gatherings of pastors and other called workers.

In 2010, the seminary sought to signal a renewed emphasis on providing such continuing education resources for our synod's pastors by establishing Grow in Grace. As the continuing education arm of the seminary, Grow in Grace has as its mission to connect pastors 1) to gospel-focused resources for growth in all their callings; and 2) to gospel-filled encouragers to support that growth.

Grow in Grace seeks to carry out that mission under four goals. Those goals give an overview of what is being done for pastors under each goal as well as a glimpse of plans for the future.

Grow in Grace's first goal is to deliver Christ-centered, accessible, and ministry impacting courses and events in the four theological disciplines (biblical theology, doctrinal theology, historical theology, practical theology).

Under this goal Grow in Grace currently offers:

- On campus for-credit courses are offered during Summer Quarter (two weeks in June) and Winterim (two weeks in January).
- Satellite Summer Quarter for-credit courses are offered all around the country sponsored by pastoral circuits, conferences, and districts. Some satellite courses are also offered in other countries when sponsored by sister synods of our Confessional Evangelical Lutheran Conference.
- Online for-credit courses are offered during the spring, summer, and fall.
- Credits earned in any of the above courses can be used by pastors toward completing a Master of Sacred Theology (STM) degree in one of nine areas of focused study. However, pastors are always welcome to take any course that interests them or meets a ministry need even if they do not wish to pursue the full degree.
- We continue to offer scholarships that match dollar for dollar whatever a calling body contributes to the cost of tuition for a for-credit course for their pastor. This is meant to encourage calling bodies to invest in the ongoing growth of their pastor.
- WLS professors are also often invited to make not-for-credit presentations (often called Pastors Institutes) by pastoral circuits, conferences, and districts.
- Leaders of circuits, conferences, and districts can request either a for-credit course or a not-for-credit Pastors Institute by submitting a request through the Grow in Grace website at wls.wels.net/grow-in-grace.

Under this goal Grow in Grace is working on strengthening its partnership with pastors in these ways:

- We are processing almost 100 surveys completed by a random sampling of pastors. The goal is to make WLS's for-credit courses more useful and accessible for pastors.
- Beginning in 2018, on campus Summer Quarter will be offered only in even numbered years.
- Beginning in 2019, in odd numbered years the goal is to take our Satellite Summer Quarter program on the road in a more coordinated way so that for-credit courses are being offered at a convenient location in every synodical district every other year. At each location, we hope to offer at least two courses so that pastors have a choice of what they would like to take.
- Grow in Grace will also seek to partner with MLC so that courses for teachers and staff ministers will be available whenever possible at those district Satellite Summer Quarters.

Grow in Grace's second goal is to provide collaborative opportunities for pastors to learn from one another and to gather with ministry peers to celebrate key ministry milestones.

Under this goal Grow in Grace currently offers:

- Grow in Grace oversees and administers the Pastor Partners Mentoring initiative which was formally adopted by the synod in convention in 2015. This initiative provides a trained experienced pastor to mentor a new graduate for the first three years of his public ministry. In particular, the mentor seeks to help the graduate to establish strong, ministry-long habits 1) in his devotional life; 2) in his management of his time as he balances his calling as pastor and his other God-given callings such as husband and father; and 3) in setting goals for growth in all those callings throughout his ministry. This initiative had been funded in its initial phases by generous grants from foundations and individuals. However, beginning with the 2016 graduates, calling bodies receiving a WLS graduate contribute \$1,000 per year toward this mentoring initiative. Congregational funding for mentoring will be fully operational by the 2018–19 fiscal year. Currently almost 70 recent WLS graduates are being mentored by more than 60 experienced pastors.
- Grow in Grace also holds annual retreats for pastors and their wives in San Antonio, Texas, during the week after Easter. At present, there are three such retreats that run simultaneously. One retreat is for pastors and wives who are marking 3 years since WLS graduation. For those involved in the Pastor Partners mentoring initiative, this provides a way of marking the end of their participation in that initiative. A second retreat is for pastors and wives marking 10 years since WLS graduation. The third retreat is for pastors and wives marking 25 years since graduation.

Under this goal Grow in Grace is working on strengthening its partnership with pastors in this way:

A fourth and final annual retreat is scheduled to begin in 2018. This retreat will be for pastors and wives who are marking 35 years since graduation. Since those pastors and wives are, on average, about 3-4 years before their retirement, this retreat will focus on helping those pastors and wives to prepare for serving their Savior and one another in a new way as they retire.

Grow in Grace's third goal is to strengthen ministry by delivering gospel-rich resources that assist pastors to partner with others in honestly evaluating all their callings and to plan for growth with confidence.

Under this goal Grow in Grace currently offers:

- The essay and resource package *Ordained for a Life of Growth* (published in May 2011), which helps pastors evaluate how to guard the treasure of the gospel by guarding four supporting gifts: time, faith, health, and brothers/sisters. The written material is available to download on the Grow in Grace website at wls.wels.net/grow-in-grace as well as being available as a presentation for circuits and conferences.
- There is also a package that includes four essays and an accompanying planning tool under the title *Reclaiming Our Christ-Centered Lutheran Devotional Life* (published in January 2013). The package assists pastors in approaching their time in Word and prayer as a gift of God's grace rather than seeing it primarily as another item on the daily to-do list crying for attention. This material is available for download on the Grow in Grace website as well as being available as a class (in person and online) and a presentation for circuits, conferences, or districts.
- *Fan God's Gifts into Flame* (published in July 2016) is an essay and workbook that offers pastors a rationale and options for crafting an annual plan for growth in all their callings. The plan is meant to help them make the most of their unique God-given gifts in their unique God-given settings as they partner in setting goals with the help of spiritually mature brothers and sisters. This material is available for download on the Grow in Grace website at wls.wels.net/grow-in-grace as well as being available for presentations to circuits and conferences. A resource list of useful growth tools in every area of a pastor's life and work is also being added to regularly.

Under this goal Grow in Grace is working on strengthening its partnership with pastors in this way:

- Grow in Grace will seek to build on a partnership begun with the synod's Human Resources Advisory Committee (HRAC) and the Commission on Congregational Counseling (CCC) to train spiritually mature lay leaders in what it means to foster a culture in their congregations that encourages law/gospel-based feedback as they partner with their called workers to strengthen gospel ministry in their midst.
- Grow in Grace also plans to study where a fourth study package might prove a blessing to pastors as they pursue growth in all their callings.
- Grow in Grace is also looking for more ways to communicate directly with congregational leaders to offer gospel-focused encouragement that investing in the growth of their called workers is a wise investment in gospel ministry.

We are looking for multiple opportunities to encourage congregations to include in their budgets the \$1,000 for continuing education per called worker per year in keeping with two synod convention resolutions (2013, 2015).

Finally, is it also critical that lay leaders help open time for their called workers to pursue growth without confusing time spent pursuing growth with vacation time.

Grow in Grace's fourth goal is to deliver informal resources useful for individual or group study that assist pastors to grow in all their callings.

Under this goal Grow in Grace currently offers:

- The Shepherd's Study, a series of online book reviews of current and classic books in every area of theological study. This resource now includes reviews on more than 150 such books all produced by pastors of our fellowship.
- *The Four Branches Review*, a monthly e-journal that includes a brief article in each of the four theological disciplines (biblical theology, doctrinal theology, historical theology, practical theology). It is meant to provide a quick read that provides a useful insight that pastors can then pursue further if that article strikes a specific interest or ministry need.

A look ahead

It is the prayer of the CECW that the work outlined in this report continues to strengthen among our called workers a culture that eagerly pursues ministry-long growth. What a blessing of God it would be if the excellent pre-ministerial training system with which God has blessed WELS would be matched by a corresponding excellence in the pursuit of ministry-long growth by all of our called workers.

Continuing Education for Called Workers Committee

Rev. James Huebner, chairman and first vice president of WELS

Rev. Bryan Gerlach, coordinator of WELS Congregation and Ministry Support Group

Prof. Richard Gurgel, director of continuing education, Wisconsin Lutheran Seminary

Rev. Jonathan Hein, director of the Commission on Congregational Counseling

Prof. John Meyer, director of continuing education and graduate studies, Martin Luther College

Prof. Lawrence Olson, director of staff ministry, Martin Luther College

Rev. Paul Prange, administrator of WELS Board for Ministerial Education

Teacher James Rademan, director of WELS Commission on Lutheran Schools

Appendix: Final Report of the Continuing Education of Called Workers Task Force

The 2013 synod convention directed the synod president to appoint a special task force to develop a continuing education process for pastors and staff ministers "so that progress toward professional growth for pastors and staff ministers can be more formally encouraged and reported." Since that time the committee met almost monthly to consider how we as a synod can better accomplish that task.

While the initial goal of the task force was to present a final report of its work to the 2015 synod convention, the task force requested from the 2015 convention (and was granted) some additional time to complete its work. The task of continuing to encourage growth among pastors and staff ministers (indeed, all our called workers) will always be an important element of our work together as a synod. However, this extra time has enabled the task force to bring to completion its work on several initiatives.

The Conference of Presidents has now dismissed this task force with thanks for their work. Here is a listing of the initiatives on which the task force focused.

Fan God's Gifts into Flame

The task force worked with Grow in Grace on an essay and workbook that was developed at the seminary. This essay and workbook walk a pastor or staff minister (or any called worker) through a process of developing a prayerfully and thoughtfully designed annual plan for growth. The essay explores the pitfalls and blessings of such planning for growth from a scriptural perspective. The workbook offers a four-step process that a called worker could follow to develop a plan for growth in all their callings (vocations): as a child of God, a public minister of the gospel, and in their more royal priestly callings (spouse, parent, member of a congregation and synod, etc.). The task force facilitated some field testing of the essay and workbook as well as helping the package's author to strengthen and refine the documents. The package was released to called workers via the Grow in Grace website, wls.wels.net/grow-in-grace. It is hoped that this package can help more called workers to develop a strong annual pattern of planning for growth

under God's blessing. It is also hoped that the fruit of such planning becomes a regular part of the annual information that is already regularly shared with the Conference of Presidents.

Expanded listing of growth reported on annual form to Conference of Presidents

Part of the mandate given to the task force by the 2013 synod convention was to look for ways to strengthen how growth is reported. All called workers already annually submit information on growth in ministry along with the other updated ministry information they share annually with the Conference of Presidents. However, up to this point, the listing of steps taken toward growth was limited to formal course work completed and organized workshops attended. While such course work and attendance at workshops can offer rich opportunities for growth in ministry, those are not the only ways that pastors and staff ministers grow in their callings. The task force partnered with representatives of the Conference of Presidents and the Commission on Lutheran Schools to expand the types of growth that could be reported annually to reflect more fully the many different ways called workers pursue growth. In partnership with the Center for Mission and Ministry (CMM) staff that was working on the WELSource online database, that significant expansion in the growth activity that can be reported by all called workers is now a reality.

Online growth tools listing

The task force has assembled an ever-growing list of growth tools that a pastor or staff minister could use to pursue growth in any or all of their unique callings (calling to faith, to public ministry, and in their royal priestly callings of spouse, parent, etc.). The tools include listings of articles, essays, books, videos, websites, podcasts, courses, and workshops that could prove useful to a called worker. This tool, in its early stages of development, began to be available this summer on the Grow in Grace website at wls.wels.net/grow-in-grace. In cooperation with Grow in Grace, the task force has enlisted retired pastor Paul Hartman to provide oversight for the list and to keep the list updated and current. Pastor Hartman began this work in January 2017.

The Four Branches

In partnership with Grow in Grace at Wisconsin Lutheran Seminary (WLS), the task force spearheaded the development of a monthly digitally delivered e-newsletter called *The Four Branches*. Each month, this e-mailed newsletter features four very brief articles. Each article focuses on an insight for ministry from one of the four areas of theological study: biblical theology, doctrinal theology, historical theology, and practical theology. Pastor Joel Seifert of Bozeman, Mont., serves as editor for *The Four Branches*. In consultation with the task force and the WLS faculty, Pastor Seifert assembled a team of more than 20 pastors to write the articles. This large team was assembled so that the time commitment for writing did not fall too heavily on any one author. The first monthly edition of *The Four Branches* appeared in September 2016. Past issues will be archived on the Grow in Grace website at wls.wels.net/grow-in-grace.

Encouraging lay leaders

If there is one area that the task force realizes could still use much more thinking and planning by those who will take up this cause after us, it is the area of helping lay leaders grow in their understanding of the importance of investing in their called workers' growth. An article on this was written for *Forward in Christ*. The task force is also encouraged by the fact that Grow in Grace has the opportunity to work directly with the lay leaders of more than 100 congregations each year as they urge those congregations to send their pastor and his wife to the Celebration of Ministry retreats that are hosted each spring in San Antonio. For those congregations that do invest in their pastors by sending them to these retreats, a follow-up contact with those lay leaders gives thanks that their congregations made the investment in their pastor and his wife and urges them to continue investing in the growth of all their called workers.

Those who served on this task force pray that God will bless what has been produced. They also pray that God will spark others to build on their imperfect efforts so as to continue to strengthen opportunities in our midst for our called workers to grow in all their callings.

Continuing Education of Called Workers Task Force

Rev. Rob Guenther, chairman

Prof. Richard Gurgel, director of continuing education, Wisconsin Lutheran Seminary

Dr. Lowell Holtz, layman

Prof. Lawrence Olson, director of staff ministry, Martin Luther College

Rev. John Seifert, district president of the Michigan District

Staff Minister Brandon Steenbock

Prof. Brad Wordell, world mission professor, Wisconsin Lutheran Seminary

Reformation 500 Committee

Floor Committee #3

Our calling

President Mark Schroeder appointed the Reformation 500 Committee in 2009 in order to guide the celebration of the 500th anniversary of the Reformation in 2017. The committee has met over the course of these years and planned for the event. This is our final report to the WELS convention to share information and report on the status of plans for our celebration.

Our current situation

As we began planning we set two goals: 1) no funds were to be used that would take money away from the ongoing ministry of the synod; projects would have to be funded in other ways, and 2) the celebration of the Reformation was to be an opportunity to educate WELS and others on the important truths the Reformation brought to light.

Educational resources

We are at the end of our assignment with the celebration of the 500th anniversary of the Reformation this fall. We have prepared materials to educate pastors, teachers, laypeople, and children. Those materials include:

- a Lenten kit for 2017 with sermons based on a Reformation theme, *Repent! Turn to Jesus!*;
- a Christmas kit;
- three series of bulletin inserts;
- a translation of some of Luther's Christmas sermons that can be used for devotional purposes;
- a new Reformation history, *Luther's Protest*;
- a book of new essays celebrating the Reformation, *Reformation 500: The Enduring Relevance of the Lutheran Reformation*;
- a translation by John Montgomery of a French work entitled *In Defense of the Lutheran Faith*.

As Northwestern Publishing House (NPH) looks forward to the anniversary, it has reissued earlier published books that are still important for various audiences. They include:

- *The Life and Faith of Martin Luther* (A. Fehlaue);
- *Martin Luther, Reformer in the Making* (E. Scharf);
- *Martin Luther and the Jews* (N. Tjernagel);
- *Martin Luther and the Long Reformation* (Kiecker);
- *Studies in the Smalcald Articles* (Meyer/Brenner);
- *In Defense of Martin Luther* (Montgomery); and
- Luther's *A Simple Way to Pray*. One version of this is included in Luther's Small Catechism (Enciridion).

NPH will release a new version of the exposition to Martin Luther's Catechism. The new exposition was developed with the Wisconsin Lutheran Seminary Education Department and includes several new features that promote lifelong use of Luther's Catechism.

NPH will also release the Evangelical Heritage Version (EHV) of the New Testament with Psalms.

With the financial help of Thrivent and the creative expertise of Boettcher/Trinklein, which produces the *WELS Connection* videos, a new Luther film is now available. The film is entitled *A Return to Grace: Luther's Life and Legacy* and focuses on confessional Lutheran themes. Congregations can show the 105-minute film in neighborhood theaters with the help of TUGG. The process is simple and can be explored at wels.net/reformation500.

Two Bible studies for congregational use are also available. Both make use of video footage from the Luther film.

The first is entitled simply *A Return to Grace: Luther's Life and Legacy Bible Study*. This four-lesson Bible study makes use of 10-minute segments from the Luther film to augment the class discussion. We have limited the length of the segments to allow for discussion and questions.

The second is entitled *Reformation: Grace, Faith, Scripture*. This Bible study was created for a variety of uses in our congregations and is created around 12 short film vignettes (three to four minutes each). The short vignettes can be scheduled and shown to the assembled congregation to highlight the important truths of the Reformation. This will make the Reformation accessible to the greatest number of congregational members. They can be used as opening devotions for organizations in the congregation and in confirmation instruction classes. The Bible study kit contains two series of Bible studies to use with these short films— a five-minute study and a regular-length Bible study. The Bible study includes a number of promotional and educational resources for the congregation's use.

Both Bible studies are available for sale at NPH.

Sharing the Reformation message of grace in Christ

The Commission on Evangelism and Board for Home Missions have prepared materials for four outreach events for congregations. These resources are available to assist congregations to invite their prospects and neighbors to visit and learn the importance of the Bible's teachings. The suggested dates and emphases are:

- Nov. 5, 2017: Scripture Alone
- Nov. 26, 2017: Christ Alone
- Dec. 17, 2017: Grace Alone
- Jan. 7, 2018: Faith Alone

The resources include special worship liturgies friendly to visitors to our churches; sermon studies for these special days; and promotion, invitation, and follow-up materials with an emphasis on encouraging members to invite their friends and relatives.

Host a showing of the Luther film, *A Return To Grace: Luther's Life and Legacy*, and invite prospects, friends, and relatives to view it with you. It has opened the door for conversation and witness.

National Conference on Worship Music and the Arts

The National Conference on Worship Music and the Arts will focus on Lutheran worship. The conference is being offered June 13–16, 2017, at Carthage College, Kenosha, Wis.

Local congregational initiatives to "love your neighbor"

We encourage congregations to extend loving and caring hands to those in need. Congregations may pursue food pantries, domestic abuse safe houses, money management seminars, disaster relief, elderly care, prison ministry, assistance to strangers, parenting seminars and resources, among other things.

A video produced by WELS Christian Aid and Relief will be available this summer to highlight these opportunities.

A look ahead

Congregations, districts, and associations of congregations will be hosting Reformation events around the country this fall. Look for opportunities to gather with your fellow Lutherans and worship. Rejoice and praise God that he has preserved the truth of his Word to us 500 years since Luther sparked the reformation and brought the church back to grace alone, faith alone, Scripture alone, and Christ alone.

We have a special historic opportunity to celebrate the blessings God has preserved to us through the Reformation. But this is not just a historical moment in time. It is an opportunity to help the members of our congregations and the communities in which God has placed them to learn again of God's grace in Christ. May we all use the opportunity to reach out and share what we have come to treasure.

Rev. John Braun, reporter

Rev. John Braun, chairman

Rev. Curtis Jahn, Northwestern Publishing House

Rev. Bryan Gerlach, Congregation and Ministry Support Group

Prof. Arnold Koelpin, Martin Luther College

Prof. Paul Koelpin, Martin Luther College

Prof. James Korthals, Wisconsin Lutheran Seminary

Commission on Inter-Church Relations

Floor Committee #4

Our calling

The WELS Bylaws charge the Commission on Inter-Church Relations (CICR) to “serve under the Conference of Presidents by representing the synod in doctrinal discussions with other church bodies who are, or are not, in fellowship with the synod” and to “keep itself informed on the doctrinal trends in other church bodies.” This function is in keeping with the object and purpose of the synod: to “extend and conserve the true doctrine and practice of the Evangelical Lutheran Church” (WELS Constitution, Article IV).

To carry out our calling, the CICR meets twice each year as a commission, including regular meetings with the Doctrine Committee of the Evangelical Lutheran Synod (ELS), for theological discussion, information sharing, and mutual encouragement. The CICR also assists individuals and churches that are seeking to take confessional Lutheran stances around the world. Finally, commission members stay abreast of happenings in other Lutheran church bodies around the world through periodical reading and with visits to church conventions, conferences, and symposia.

Our current situation

The Confessional Evangelical Lutheran Conference

The Confessional Evangelical Lutheran Conference (CELC) consists of 29 confessional Lutheran church bodies throughout the world that are in fellowship with WELS. Delegates gather at triennial meetings for encouragement, fellowship, and study of God’s Word. Members of the CELC provide theological and doctrinal essays that clarify issues facing confessional Lutheran churches around the world.

The Evangelical Lutheran Free Church of Germany (ELFK) is hosting the 2017 convention from June 28–July 2 at the Gymnasium St. Augustin in Grimma, where Lutheran pastor and hymn writer Paul Gerhardt was a student. The theme of the convention is “Reformation Then and Now.” Since 2017 will mark the 500th anniversary of Luther’s posting of the 95 Theses, the 2014 CELC delegates authorized the writing and distribution of a new set of 95 Theses for the anniversary, presenting all the Lutheran fundamentals but also including topics directed toward religious challenges in our contemporary society. It was proposed that if these “95 Theses for the 21st Century” are approved at the 2017 convention in Germany, they could be translated and circulated in all CELC churches and read publicly on Oct. 31, 2017, in CELC churches around the world. Prof. Thomas Nass (WELS) and President John Moldstad (ELS) have led the 95 Theses project.

WELS is sponsoring three church bodies for associate membership in the CELC at the 2017 convention upon the unanimous recommendation of the CICR: The Lutheran Church of Ethiopia, the East Asia Lutheran Synod, and the South Asian Lutheran Evangelical Mission (SALEM) in Hong Kong.

Additional information about the CELC can be found on the CELC website at celc.info. Besides having information about past conventions, the website has information about each of the member churches and PowerPoint presentations that could be used to introduce people to the CELC and its member churches.

Evangelical Lutheran Synod

The ELS is our American sister synod with which we have been in fellowship since its organization in 1918. Presently the ELS has about 19,000 souls in roughly 130 congregations. The CICR maintains contact with the ELS in a variety of ways in order to express and foster our unity in faith.

Pastor Steven Lange attended the 2016 ELS convention as the official CICR observer and greeted the convention delegates on behalf of WELS. Pastor Timothy Hartwig of North Mankato, Minn., delivered the convention essay, “Proclaim the Wonders God Has Done: Give Thanks to His Name!” He encouraged the delegates to recognize and rejoice in the great gospel task that our Savior has given his Church to proclaim the good news of salvation in all the world and to support that work with our God-given treasures.

One important matter of doctrine and practice raised at the 2016 ELS convention was the practice of closed communion within the ELS. The issue was raised through a memorial brought by a concerned congregation in Florida, which stated that some ELS pastors “have been administering and continue to administer the Lord’s Supper to college

students and to seasonal residents who belong to false-teaching churches.” The synod was asked to “explicitly clarify our position on whether or not the scriptural principles of church fellowship apply to college students and to seasonal residents.” In answer to the memorial, the convention delegates resolved that “the matter of faithful practice of closed communion, including this concern, be referred to the synod president and addressed at the 2016 Circuit Visitors’ Conference and that he report to the 2017 Convention.”

Another 2016 convention resolution unanimously approved the “Joint Statement Regarding Termination of Fellowship,” drafted by representatives of the ELS, WELS, and the Church of the Lutheran Confession, “as a correct presentation regarding the biblical doctrine on the termination of fellowship.”

A number of CICR members joined other WELS representatives to meet with ELS leaders at the Evangelical Lutheran Confessional Forum held at the WELS Center for Mission and Ministry in October 2016. Forum participants spent several hours discussing essays written and presented by both WELS and ELS pastors. They also received updates on the mission and ministry of each synod. As always, it was encouraging to recognize the fundamental unity of doctrine and practice that is present among the leaders of our two synods and to rejoice in the work that our Savior is graciously doing among us and through us.

Lange is slated to attend the 2017 ELS convention. The CICR is scheduled to meet with the ELS Doctrine Committee in September 2017.

Scandinavia

The CICR continues to promote contact and communication with sister churches in Sweden, Norway, and Finland. That work is especially carried out through our CICR contact man to Scandinavia, Prof. Keith Wessel. Through its Scandinavia Support Fund, the CICR is able to provide assistance to students interested in training for ministry at a worker-training school. It also helps to fund visits by WELS pastors and professors for presentations and seminars in Scandinavia, which our brothers and sisters in Christ receive enthusiastically.

Germany

The Evangelical Lutheran Free Church of Germany (ELFK) is a church body of nearly 1,250 members in 16 parishes. Through its Germany contact man, Prof. James Danell, the CICR seeks to maintain and strengthen the ties of fellowship between WELS and the ELFK.

The ELFK celebrated its 140th anniversary at its 2016 convention. The ELFK has a proud history and greatly appreciates the fellowship it has with WELS. A new ELFK hymnal, *Lutherisches Gesangbuch*, was published in July 2015 after 12 years of preparation and has been introduced in ELFK congregations.

Future seminary enrollment at the ELFK’s Leipzig seminary remains a topic for prayer. At present, the ELFK has no students from within its own fellowship enrolled at its seminary, nor are there any prospects in the foreseeable future. Martin Luther Schule in Zwickau continues to have a steady enrollment of around 150 students with 24 people on staff. The Germany Support Fund has also helped to underwrite the cost of ELFK students studying at Michigan Lutheran Seminary (MLS) in Saginaw, Mich. One student is making plans to attend MLS beginning this fall.

Latvia

The CICR maintains direct contact with the Confessional Lutheran Church in Latvia (CLCL) through its contact man, Rev. Jonathan Balge. All the pastors of the CLCL have “tent-making ministries,” requiring them to hold other jobs in addition to carrying out pastoral ministry as time permits. Understandably, the Christians in this sister church are also concerned about the geo-political situation in their part of the world. We continue to pray for them and for their gospel work in God’s kingdom.

Portugal

Prof. Kenneth Cherney has served as the contact man to our sister church body in Portugal, the Lutheran Church of Portugal (ILP), for a number of years. Though his membership on the CICR will be ending in 2017, he has agreed to continue as the Portugal liaison to the CICR. A hoped-for Brazilian missionary initiative led by Pastor António Canoa to be jointly overseen by WELS and the ILP had to be put on hold. In his place a member of the ILP has been doing some outreach work in Taubaté, Brazil, but he is also scheduled to return to Portugal in 2018. Pastor Artur Villares will present at a special commemoration of the Reformation anniversary at the University of Lisbon and at a seminar in commemoration of the 100-year anniversary of the Virgin Mary’s purported appearances at Fátima. His topic will be “Luther and Mary.” In connection with the latter anniversary, he will give the perspective of “a Portuguese Lutheran pastor” in an upcoming History Channel program about Fátima.

Puerto Rico

It is the responsibility of the CICR to maintain contact with our sister church in Puerto Rico, the Evangelical Lutheran Confessional Church. The CICR does this through Pastor Timothy Satorius, a liaison who makes periodic visits.

Japan

The Lutheran Evangelical Christian Church in Japan (LECC) numbers more than 300 souls in six congregations. It is a doctrinally strong church, but recently it has been faced with a shortage of pastors. Former missionary Prof. Brad Wordell serves as a liaison with the LECC for the CICR. He was able to visit briefly in January 2017. Among other items, he learned that a Kingdom Workers volunteer is teaching English as a Second Language (ESL) classes at two congregations in the LECC, as well as overseeing sports camps in an effort to make contacts with Japanese youth and families. Japan remains a land where more than 98 percent of the population does not know and confess Jesus Christ as Savior. We continue to ask the Lord of the harvest to provide workers for Japan and to bless the outreach efforts of his people there.

Hong Kong

In the last year the CICR has been working with the South Asian Lutheran Evangelical Mission (SALEM) in Hong Kong on devising and clarifying their "Statement of Faith." In recent months the CICR has witnessed positive developments, which seem to indicate a maturing church body growing in their appreciation of scriptural doctrine and practice. The CICR recommends that WELS declare fellowship with SALEM and sponsor SALEM for associate membership in the CELC at its 2017 convention.

Ethiopia

In recent years exciting developments have unfolded in our relationship with the Lutheran Church of Ethiopia and its founder and president, Dr. Yigezu Kebede. Kebede also founded and oversees the work of Maor Theological College in Bishoftu. He has demonstrated himself to be an aggressive promoter of confessional Lutheranism and has expressed strong agreement with our synod's doctrinal statements. Prof. Kenneth Cherney has served as the main CICR contact to Ethiopia, making visits to the field with other WELS representatives and representatives from the Lutheran Church of Central Africa (LCCA). The CICR resolved unanimously to recommend to the 2017 WELS convention that our synod make a formal declaration of church fellowship with the Lutheran Church of Ethiopia and sponsor the church body for associate membership in the CELC.

East Asia Lutheran Synod

The CICR has received reports of the gospel work being done by our faithful brothers and sisters in East Asia. As a result, the commission recommends that WELS declare fellowship with the East Asia Lutheran Synod and sponsor its synod for associate membership in the CELC at its 2017 convention.

Coordination with the WELS Board for World Missions and Wisconsin Lutheran Seminary

As directed by the 2013 WELS convention, the CICR and the WELS Board for World Missions (BWM) reexamined and slightly revised the "Guidelines for the CICR and the BWM in Working with Churches that Desire to Enter or Have Entered into Fellowship with the WELS." These guidelines seem to be working well, and there is a good working relationship and regular consultation between the CICR and the BWM. When a church requires the regular, ongoing assistance of WELS mission personnel and WELS budgetary funds, then the church falls under the purview of the BWM. Independent churches fall under the purview of the CICR.

The need for continuing pastoral education around the world is clear, both for strengthening the bonds of fellowship and for possible accreditation and degree granting from Wisconsin Lutheran Seminary (WLS). The CICR, the BWM, and WLS continue to see the need to coordinate all the efforts for our partner churches since many more requests are anticipated in the near future.

Lutheran Church–Missouri Synod

The CICR continues to monitor developments in the Lutheran Church–Missouri Synod (LCMS). Another informal meeting between leaders of WELS, the ELS, and the LCMS was held in December 2016. The principles of biblical interpretation (hermeneutics) were discussed, with each synod's approach to and understanding of the roles of man and woman serving as a kind of test case. Another meeting is planned for December 2017.

Pastor James Huebner served as the official WELS observer to the 2016 LCMS convention held in Milwaukee. Pres. Matthew Harrison was re-elected for another three-year term as were the incumbent six vice presidents. The convention essays and worship all gave evidence of a commitment to be more faithful, biblical, confessional Lutherans, for which we are very thankful to God.

Church of the Lutheran Confession

Representatives from the Church of the Lutheran Confession (CLC), the ELS, and WELS have met for formal doctrinal discussions on several occasions in the past several years. These were the first meetings between representatives of these three synods since 1990. They were called by the synod presidents with the encouragement of the appropriate synod committees, upon the request of a grassroots group of pastors from all three synods in the Mankato, Minn., area.

These meetings have been cordial and productive. Participants have shared perspectives on the history of the relationship between the three synods and discussed the “Joint Statement Regarding the Termination of Fellowship Between Church Bodies,” a document that was prepared in 1990 during the last round of doctrinal discussions. Representing the CLC were Pres. Michael Eichstadt, Pastor Paul Nolting, and Pastor Bruce Naumann; representing the ELS were Pres. John Moldstad, Prof. Gaylin Schmeling, and Prof. Erling Teigen; and representing WELS were Prof. John Brenner, Prof. Thomas Nass, and Pres. Mark Schroeder. Only one of these participants was involved in the 1990 meetings, so these meetings have brought together a new generation of leaders who have not discussed the issues together before.

Based on their discussion, this committee drafted a “Joint Statement Regarding the Termination of Fellowship,” which has received reaction from members of the appropriate synod committees. The 12 districts of WELS had an opportunity to react to the “Joint Statement” in their conventions last summer, and 11 of the 12 districts endorsed it. Some delegates to the Minnesota District Convention expressed concerns that certain statements in the document may be misunderstood and misapplied. The Minnesota District Convention resolved that further study be recommended, especially in regards to an exegesis of Romans 16:17. For its part, the CICR unanimously resolved to recommend to the 2017 WELS convention that the synod formally adopt this statement as a faithful exposition of Scripture’s doctrine and practice of church fellowship. Please see the addendum to this report for the “Joint Statement.” It should be noted that a formal adoption of the “Joint Statement” by all three church bodies would not yet clear the way for any recommendations for formal declarations of church fellowship. There are still other issues that need to be addressed.

Other churches

In partnership with the WELS Board for World Missions, the CICR continues to track exciting developments, particularly in Asia and Africa, as people in those regions of the world demonstrate increasing hunger for the living bread and water that only Jesus provides through the eternal gospel of forgiveness.

CICR special funds

The CICR now oversees six special funds that are used to cover our contact expenses and to help sister churches in specific areas. The funds are the Baltic Eastern Europe Fund, the Germany Support Fund, the Portugal Fund, the Puerto Rico Fund, the Scandinavia Fund, and the Japan Fund. Gifts to these funds are encouraged from school groups, women’s groups, individuals, and others. Gifts may be sent to the WELS Center for Mission and Ministry.

A look ahead

This year CICR personnel will serve as convention observers in various places. The commission sees attendance at these gatherings as opportunities to express interest in what is happening in other churches and to keep ourselves informed about events and activities in their midst. CICR personnel will also continue monitoring various Lutheran publications to stay informed on the Lutheran scene in North America and around the world.

The service of Prof. Ken Cherney and Pastor Peter Prange as CICR members will come to an end with the 2017 WELS convention, both of them having completed two terms on the commission. At a March 2017 meeting, their fellow CICR members thanked them for their service.

Action items

The CICR unanimously recommends that the 2017 convention delegates adopt the “Joint Statement Regarding Termination of Fellowship” drafted by representatives of the ELS, WELS, and the Church of the Lutheran Confession, as a correct presentation regarding the biblical doctrine on the termination of church fellowship.

The CICR unanimously recommends that the 2017 convention delegates make a formal declaration of church fellowship with the East Asia Lutheran Synod, the Lutheran Church of Ethiopia, and the South Asian Lutheran Evangelical Mission (SALEM) in Hong Kong and sponsor these church bodies for associate membership in the CELC.

Rev. Peter Prange, reporter

Prof. John M. Brenner, chairman
Rev. Bart Brauer, vice chairman
Rev. Peter Prange, secretary
Rev. Jonathan Balge
Prof. Kenneth Cherney Jr.
Prof. James Danell
Rev. Steven Lange
Prof. Bill Tackmier
Rev. Benjamin Tomczak
Prof. Keith Wessel

Advisory:

Rev. Mark Schroeder, WELS president
Rev. James Huebner, WELS first vice president

Addendum: Joint Statement Regarding the Termination of Fellowship

Introduction to the Joint Statement

Since the establishment of the CLC in 1960, there has been much discussion about the history behind the formation of the CLC and the precise nature of the differences that have separated the CLC from the ELS and WELS. God desires that we agree on the doctrinal principles of God's Word and commit ourselves to implementing those principles in our church life. Then we will react to circumstances in the future with a unified understanding of Bible doctrine.

To that end, the "Joint Statement," drafted in 1990 and revised in 2015 by representatives of the CLC, ELS, and WELS, is offered as a scripturally sound presentation on the matters of church fellowship that have separated us for many years. Agreement on this doctrine would be a necessary first step toward the restoration of God-pleasing fellowship relations.

It is understood that this "Joint Statement," if and when it is adopted by the three synods, will supersede all previous statements or interpretations of previous statements that are in conflict with it. All conflicting or possibly conflicting statements from any of the three synods are herewith rejected.

JOINT STATEMENT

Regarding the Termination of Fellowship

I. On the basis of Holy Scripture and in a spirit of Christian unity and love we believe and affirm that it is God's gracious will and purpose:

A. That His church on earth be one flock under one Shepherd, the Lord Jesus Christ. Jesus' sheep listen to His voice (Jn. 10:16,27). They gladly hear His Word and follow Him because He is "the way and the truth and the life." No one comes to the Father except through Him (Jn. 14:6). The words that Jesus speaks are precious to His followers because they "are spirit and they are life" (Jn. 6:63). Jesus alone has the words of eternal life because He is the Holy One of God (Jn. 6:68,69). His church lives by His Word and gladly shares it with others.

B. That all who believe in Jesus as their Savior and Lord agree with one another so that there may be no divisions among them and they may be perfectly united in mind and thought (1 Cor. 1:10). He urges them "to make every effort to keep the unity of the Spirit through the bond of peace" (Eph. 4:3). Dissensions and divisions arise when Jesus' disciples do not carefully listen to His voice as He speaks to them in the Holy Scriptures, God's inspired, inerrant, and authoritative Word. Jesus assures them that if they remain in His Word and hold firmly to it, they are really His disciples. He promises, "Then you will know the truth, and the truth will set you free" (Jn. 8:31,32). For this reason Scripture admonishes us to watch our life and doctrine closely and to persevere in them so as to save both ourselves and our hearers (1 Tm. 4:16), to keep as the pattern of sound teaching what we have heard from God's spokesmen (2 Tm. 1:13), and to do our best to be workers who do not need to be ashamed and who correctly handle the word of truth (2 Tm. 2:15).

C. That Christians as individuals and as church bodies be on constant guard against falsehood and error. False doctrines and unscriptural teachings are sown by Satan, "the father of lies." "He was a

murderer from the beginning, not holding to the truth" (Jn. 8:44). His aim is to separate Jesus' sheep from their Good Shepherd and to take them with him to eternal destruction. With fatherly love God therefore warns us to beware of false prophets (Mt. 7:15), to watch out for those who cause divisions and put obstacles in our way by going contrary to the teaching we have learned and to "keep away from them" (Ro. 16:17). Out of loving concern He commands us not to "be yoked together with unbelievers," but rather to "come out from them and be separate" (2 Cor. 6:14,17). Earnestly He admonishes us not to assist or encourage those who do not continue in Christ's teaching (2 Jn. 10, 11).

D. That Christian brothers, motivated by Christian love and concern, exercise their fellowship by admonishing one another whenever it is called for, and particularly also when they notice that their brothers have strayed into error (Eze. 33:1-9; Ro. 15:1-14; Ga. 6:1-5; Eph. 4:1-6; Col. 3:12-17; 2 Tm. 4:2). Failure to admonish would be disobedience to God and evidence of an unloving heart. Those giving the admonition will not do this in a self-righteous, haughty spirit or in a loveless, mechanical way, but humbly and patiently, in the spirit of Christ, the Good Shepherd, who lovingly seeks every lost and straying sheep and strives to rescue it (Lk. 15:3-7). The response to such fraternal admonition given to an erring individual or group within the fellowship will help to determine whether the error is a matter of weakness or whether the erring individual or group is causing divisions and offenses by teaching contrary to God's Word (Ro. 14:1; 16:17). If the erring individual or group is willing to be instructed from the Word of God while also refraining from promoting the error and at the same time making efforts to address it, the error will be treated as a matter of weakness. If, however, the erring individual or group rejects the admonition from Scripture and holds to the error, they are causing divisions and offenses, and our Lord instructs us to avoid them (Ro. 16:17).

[Note: Those who adhere to false teaching in spite of admonition are regularly referred to as "persistent errorists" in the ELS and WELS, while in the CLC they are referred to simply as "errorists." This document uses the phrase "those who adhere to error" because it communicates the truth adequately and it has been used in the same manner in all three synods (see III G, H).]

II. With respect to Romans 16:17,18, on the basis of Holy Scripture and in a spirit of Christian unity and love, we believe and affirm:

- A. The present active infinitive *skopein*, meaning "to keep on watching out for," refers to Christians' ongoing activity of being constantly alert and on the lookout for those who are causing divisions and offenses by teaching contrary to God's Word (see III A, B).
- B. While the word *skopein* does not in itself specifically and directly enjoin admonition, this does not deny that admonition as enjoined in other passages of Scripture will normally take place concurrently with the watchfulness of which *skopein* speaks whenever error appears within the circle of fellowship.
- C. The primary purpose of such admonition is in love to show the erring individual or group that they have left the truth of God's Holy Word, and then also by the power of the Holy Spirit to bring them back, if possible, to the "pure, clear fountain of Israel" (Formula of Concord, S.D., Comprehensive Summary, 3; Concordia Triglotta, 851) (see III C).
- D. Admonition continues until the erring individual or group either repents of their error and turns away from it or until they show themselves to be guilty of causing divisions and offenses by continuing in their error (see III D).
- E. Christians will rejoice when those who have misspoken or inadvertently strayed into error accept admonition and correction from God's Word (see III I).
- F. Scripture enjoins us to "test the spirits to see whether they are from God" (1 Jn. 4:1). This testing involves making a judgment based on the principles of Scripture as to whether we are dealing with weak brothers or those who adhere to error (see III E).
- G. When "testing the spirits" in regard to a church body we need to consider not only its official statements and resolutions, but also its corporate actions or inactions. We cannot assume that every expression of individual members reflects the position of the church body, or that the correctness of its official statements and resolutions automatically guarantees that there is scriptural practice within the body.
- H. The imperative *ekklinete* calls for a clean break of fellowship with those who adhere to error. When it has been ascertained that a person or a church body is causing divisions and offenses (*tous poiountas dichostasias kai ta skandala*) by teaching contrary to Holy Scripture, the directive to avoid is

as binding as any word addressed to us by our Savior God in His holy Word (see II D).

I. A break in fellowship with those who adhere to error is a forceful, loving, and ongoing admonition regarding the seriousness of their error.

J. The apostle's urgent command *ekklinete* ("avoid," "keep away from") is the voice of the Good Shepherd Himself as He lovingly protects His sheep and lambs from the deception of error. Such a termination of fellowship serves the spiritual welfare of Christ's flock. Continuing in fellowship with those who are causing divisions and offenses exposes Jesus' disciples to the leaven of error, which is contrary to His saving intent (Mt. 16:5-12; Rom. 16:18).

III. With respect to Romans 16:17,18, on the basis of Holy Scripture and in a spirit of Christian unity and love:

A. We reject the view that the verb *skopein* refers to labeling or branding those who have already been identified as individuals or a church body causing divisions and offenses (The KJV translation "mark" can be misunderstood.) (see II A).

B. We reject the view that *skopein* does not refer to an ongoing, durative activity (see II A).

C. We reject the view that the primary purpose of admonition is to determine whether or not people are adhering to error (Gal. 6:1; see II C).

D. We reject the view that the decision to avoid is to be made on the basis of a subjective judgment or conjecture about the possible outcome of the admonition (see II D).

E. We reject the view that permits the use of subjective judgment to prolong fellowship with those who adhere to error, since such action is contrary to the principles of Scripture (see II F).

F. We reject using expressions such as "debt of love" as a basis for delaying a break in fellowship with those who adhere to error.

G. We reject the understanding that, when a person or group has been identified as causing divisions and offenses through false teaching, persistence in the error is an additional criterion that must be met before breaking fellowship. We likewise reject the understanding that demanding recognition for error or making propaganda for error are additional criteria that must be met. Rather, these are ways that a person or group can be identified as causing divisions and offenses.

H. We reject any use of the term "persistent errorist" that would imply that there are individuals or groups who adhere to error with whom we can continue in fellowship in the hope that they may someday return to the truth.

I. We reject the view that the *ekklinete* injunction is to be applied to those within the circle of fellowship who have misspoken or inadvertently erred, or to those who are weak brothers. Christian love will lead us rather to "correct, rebuke and encourage—with great patience and careful instruction" those who have erred in this way (2 Tim. 4:2; see II E).

J. We reject the view that a break in fellowship with those who adhere to error is per se the equivalent of excommunication. A termination of fellowship is a judgment on doctrine, not on personal faith.

Revised

Pewaukee, Wisconsin

November 13, 2015

Church of the Lutheran Confession:

Michael M. Eichstadt

Bruce J. Naumann

Paul D. Nolting

Evangelical Lutheran Synod:

John A. Moldstad, Jr.

Gaylin R. Schmeling

Erling T. Teigen

Wisconsin Ev. Lutheran Synod:

John M. Brenner

Thomas P. Nass

Mark G. Schroeder

Ministry of Christian Giving

Floor Committee #5

Our calling

WELS Ministry of Christian Giving (MCG) serves on behalf of the Conference of Presidents (COP) to encourage every WELS member to “excel in the grace of giving” through Christ. We consider it a privilege to help God’s people make gifts to Jesus for his work in their congregations, synod, and other WELS organizations.

The MCG assists the Conference of Presidents with its responsibility to fund the Lord’s work through our synod. This funding is provided through Congregation Mission Offerings (CMO) as well as direct gifts to WELS from individuals and foundations.

- In the area of CMO, our efforts are focused on supplying congregations with information on ministry opportunities and needs as well as stewardship training resources.
- In the area of direct gifts from individuals, we regularly mail and e-mail appeals that explain our gospel work and encourage support of synodical ministries. We also provide information to donors about Christian estate planning and other planned giving options that allow them to give in a way that is beneficial for them, their families, and the ministries close to their hearts. Also, the MCG supports Christian giving counselors (12.8 full-time equivalents, some counselors are semi-retired) across all 12 districts of WELS to assist God’s people with gifts of any kind. Their services are free and confidential.
- Gifts from foundations often result from consultation between the MCG director, other synod leaders, and the foundations regarding funding of new ideas and enhancements to ministry.

Our current situation

Review of WELS Ministry of Christian Giving

A special committee appointed by the Conference of Presidents completed its review of the MCG. We thank the committee members for their careful work, thoughtful guidance, and beneficial recommendations—including an additional Christian giving counselor, which the Conference of Presidents and Synodical Council have included in the second year of the 2017–19 ministry plan. That report can be found on p. 35.

Congregation Mission Offerings

In 2016, the MCG and Communication Services helped the COP provide special videos and instruction letters personalized to each district that illustrated the work Jesus does through the areas of ministry supported by our Congregation Mission Offerings (CMO). We thank God and commend our congregations for their steady offerings year after year, which is a thankful response to Christ’s love. (For the status of CMO in funding the synod’s ministry plan, see the “Financial results and plan” report on p. 127.) WELS Technology also helped the MCG unveil a new platform for collecting CMO subscriptions online without a login.

Debt elimination

At the direction of the 2013 synod convention, the “One in Christ” synodwide offering to eliminate the remainder of the synod’s debt was launched at the 2015 synod convention. As of Jan. 1, 2017, the synod’s \$4.7 million debt was eliminated, about 18 months ahead of schedule with \$3.1 million in gifts (from many people through 573 congregations and 2,275 individuals/groups directly to WELS) and through planned payments. WELS Christian giving counselors completed 2,006 visits with individuals on behalf of this initiative. We praise Jesus for abundantly blessing us through his gifted, generous people.

Qualified charitable distribution opportunity

On Dec. 18, 2015, Congress passed legislation to make permanent the giving opportunity known as the qualified charitable distribution. With this type of gift, anyone 70.5 years or older can make distributions from his or her IRA to charity tax-free for federal tax purposes. Since Jan. 1, 2016, the MCG has worked to communicate this opportunity with our fellow saints via postcard mailings and counselor visits. WELS Foundation processed \$635,652 in qualified charitable distributions in 2016.

WELS endowment funds

The 2005 synod convention asked the Ministry of Christian Giving to work toward building up \$300 million in WELS endowment funds for the benefit of ministerial education and missions. By early 2017 WELS received \$22.4 million in immediate gifts with another \$58.4 million expected from deferred gifts arranged by donors working with Christian giving counselors. The 2016 distribution from these endowments totaled \$787,444, including \$435,175 to Missions and \$352,269 to Ministerial Education.

We also encourage gifts to the WELS Operating Endowment Fund, which as of the end of 2016 had a balance of \$1,518,826. In 2016 this fund distributed \$55,029 to WELS.

Christian giving counselors

During each one of the past nine fiscal years, Christian giving counselors (CGCs) have averaged (per full-time equivalent [FTE]) 293 face-to-face donor visits and have nurtured an average (per FTE) of \$492,860 in immediate gifts (not including gifts to congregations, collaborative partners, and other WELS organizations) and \$2,313,569 in deferred expectancies. In fiscal year 2015–16, WELS Christian giving counselors (12.8 FTEs) conducted 3,655 free, confidential visits with God’s people and 363 presentations (Christian stewardship, Christian estate planning, or WELS Mission and Ministry) that helped facilitate \$5.1 million in gifts received for WELS and \$36.6 million in deferred expectancies for congregations, synod, and other WELS organizations. Annually, our church body invests approximately \$1.3 million in our field staff’s service to Jesus. We praise the Lord for blessing our efforts and, more importantly, prompting and enabling God’s people to honor him with generous gifts for his kingdom endeavors.

Mr. Harry Mears, who was semi retired, fully retired June 30, 2016. Mr. Ken Dierks, Pastor Dave Waege, and Pastor Dave Liggett (all semi retired) fully retired Dec. 31, 2016. We thank these men for their service.

Our MCG office and Christian giving counselors regularly coordinate donor nurture efforts with our ministerial education mission advancement offices, and one of our Christian giving counselors is assigned as our team’s liaison to each ministerial education school. In addition to ongoing communication, the MCG and these ministerial education mission advancement personnel participate in an annual face-to-face conference and meet via web conference about four times during the year. Such proactive coordination minimizes the potential for donor fatigue and any possible misunderstanding that our schools and areas of ministry are in competition for God’s people’s attention and support.

“Every neighbor, every nation: WELS Missions and you”

The Conference of Presidents approved a 2016–17 campaign by the MCG and Missions to gather funds for new missions initiatives. The campaign focuses on individual donors and features joint visits by Christian giving counselors and Missions representatives. The case statement is a special issue of *Forward in Christ* that was distributed to all subscribers along with the September 2016 regular issue and is provided to donors on visits. As of early 2017, Christian giving counselors have made 1,401 visits including 231 joint visits with Missions representatives. We have received more than 1,100 immediate gifts totaling more than half a million dollars. In addition, five new deferred expectancies for new missions initiatives or the WELS Mission Endowment have been arranged, with a present value of more than \$391,000. We’re grateful to the Lord of the nations for his rich blessings on this campaign.

Appeals

The MCG works closely with our WELS areas of ministry and ministerial education schools to send 14 mailed appeals and four e-appeals per calendar year. Each of the synod’s four main areas of ministry is featured in two of the mailed appeals and one e-appeal. Two of the appeals each year promote charitable gift annuities with WELS Foundation. The appeals coordinate with other WELS media including *WELS Connection* and *WELS Connection Close-up*, *Forward in Christ*, WELS’ websites, and the “Together” e-newsletter. In fiscal year 2015–16, Ministry of Christian Giving mailings helped facilitate \$1,219,960 in immediate support for WELS with an average cost per dollar received of \$.11.

Development counsel to other organizations

We annually offer development training to Christian giving counselors, ministerial education mission advancement staff, and anyone serving a WELS/ELS-affiliated ministry in development. One goal of such training is to encourage a consistent approach to God’s people that’s Christ-centered and donor-sensitive. Thirteen individuals participated in our 2017 training.

WELS parasynodicals can formally contract with the MCG in a part-time “collaborative partnership” where our counselors proactively represent their organizations on visits with members. This allows both WELS and the

parasynodicals to share their ministry stories with a broader audience of prospective partners. The MCG currently has part-time collaborative partnerships with Arizona Lutheran Academy, Costa Maya Ministries, Friends of China, and Lutheran Institutional Ministry Association.

Stewardship resources

The MCG encourages biblical stewardship through our e-newsletter, "An Encouraging Word;" Faith Focused Finances resources; and the latest stewardship program. The 2016 program was *364 Days of Thanksgiving*, based on resources produced by Northwestern Publishing House. The MCG also makes available to congregations an archive of past stewardship programs on the WELS Resource Center.

Congregational planned giving program

The MCG has developed a congregational planned giving manual to help congregations promote planned giving opportunities to members. The manual also provides guidance on starting an endowment program through WELS Foundation, setting up a planned giving committee, and establishing and administering an endowment fund. The program is available at wels.net/plannedgivingprogram.

Statistical Report

Thanks to the efforts of WELS Technology, the gathering and reporting of statistics was moved to a new web platform that better synchronizes with the synod's WELSource database.

Payment card industry compliance

In order to comply with the latest security guidelines, the MCG and the WELS ministerial education schools no longer collect credit card information on paper forms. Instead people are directed to submit credit card gifts online or to call so that a staff member can submit the gift online on their behalf. Such online entry involves no storage of credit card data and minimizes opportunities for its interception.

A look ahead

Following are our goals and plans for 2017 and beyond:

- We will take a similar approach to communicating with congregations regarding 2018 CMO subscription setting, including personalizing a video and letter for each district.
- As was done with Missions in 2016–17, WELS Christian giving counselors will conduct a focused individual campaign that emphasizes a particular area of ministry each fiscal year including Michigan Lutheran Seminary in 2017–18, the Congregation and Ministry Support Group in 2018–19, and Martin Luther College in 2019–21.
- We plan to continue encouraging gifts to WELS endowments with an annual appeal and counselor visits and presentations.
- The MCG will provide resources for congregations to hold an annual WELS Mission and Ministry Sunday each fall. The idea is to offer a traditional mission festival enhanced by worship, Bible study, and other materials provided by the synod. It is a chance to recommit ourselves toward the Great Commission locally and through the opportunities God is giving us as a synod. Any special offerings collected can go to the designation chosen by the congregation. (Note: Individuals who want to provide additional gifts to the Lord for our WELS daily gospel work may select WELS Mission and Ministry under "Synodwide Initiatives" at community.wels.net.)
- Our next WELS Christian Giving Training for WELS/ELS advancement personnel will take place Jan. 8–12, 2018. Contact us to register or receive more information.
- This year's stewardship program, "Joyful Generosity," will include worship and Bible study resources for 2017–18 (covering two years due to expected heavy use of Reformation-related materials this fall).
- Rev. Dr. Michael Dietz will transition from full-time to semi-retired service on June 30, 2016. On that same day, Mr. Carl Leibner (full time) will fully retire. We thank Carl for his service to Jesus and his people.

It is proposed that the Ministry of Christian Giving Commission be retired (see p. 221). The commission has not been needed in recent years since the COP directly oversees the MCG director. We thank Mr. Mark Handeland and Robert Tupper for their faithful service the past two years.

The Ministry of Christian Giving is privileged to serve God and you by helping to fund the ministries that touch the hearts of WELS members. We are happy that these gifts in response to Christ's love are helping us as a synod to fulfill our calling of proclaiming Jesus' name to more and more people.

Rev. Kurt Lueneburg, reporter

Mr. Robert Tupper
Mr. Mark Handeland

Advisory:
Rev. Kurt Lueneburg

Appendix: Ministry of Christian Giving Review Committee

Our calling

The 2015 synod in convention approved Resolution #1 of Floor Committee 4, which stated that “we urge the MCG to work wholeheartedly with the COP in the upcoming review of the MCG’s work, striving with an openness to all ideas and suggestions to optimize its valuable work.”

President Mark Schroeder appointed the following to the Ad Hoc MCG Review Committee: Mr. Paul Dettman; Pastor Ken Frey; Pastor Jonathan Kolander, chairman; Pastor Mike Otterstatter; and Pastor Joel Voss, Conference of Presidents representative. Synod President Mark Schroeder served as advisory member of the committee.

Defining the task

The question, “Is the Ministry of Christian Giving (MCG) in position to meet the needs of WELS ministry going forward?” became the heart of our committee’s work. To aid us in getting to an answer, we developed a list of people to interview, by way of direct contact or through surveys with the help of WELS Communication Services. The list included people involved in the day to day work of the MCG (past and present), in WELS areas of ministry, in our four ministerial education schools, in WELS area Lutheran high schools, in WELS congregations who have been served by the MCG, and in mission advancement positions from entities either affiliated with WELS or not.

Here is a sample of additional questions we used to supplement our driving question:

- What is the Ministry of Christian Giving?
- Are the current practices the best moving forward?
- What is working well with the Ministry of Christian Giving?
- What are the challenges facing the Ministry of Christian Giving?
- What are the opportunities being missed by the Ministry of Christian Giving?
- What staffing, materials, mechanisms, etc. are currently in place, as well as hoped for, in connection with the Ministry of Christian Giving?
- Who are the Christian giving counselors (both full- and part-time)? What are the areas each one covers, and are these areas too large, too small, or just right?
- How would the MCG look if we started over with this area of ministry?

We noted that at the conclusion of our review the evidence may reveal: a) nothing needs to be changed; b) areas and/or practices we could improve on; or c) areas and/or practices we could change or do without.

Instantly apparent findings

Together with us, praise God from whom all blessings flow! As we began our interviews and received completed surveys, the following became very apparent:

- God has blessed our church body with opportunities to not only do ministry in his name but also with the means and talent in order to provide support for these ministry opportunities.
- God’s people are motivated by the gospel to support ministry.
- God’s people individually (Individual Mission Offerings or IMO) and collectively (Congregation Mission Offerings or CMO) give generously to support gospel-driven ministry.
- God has blessed our church body with gifted people to serve in this particular area of ministry (director, Christian giving counselors, office personnel);
- We have pastors and laity who communicate the need to financially support ministry through the CMO and individual gift opportunities.

Topic one: Foundational details concerning the MCG

The WELS Ministry of Christian Giving serves on behalf of the Conference of Presidents to encourage every WELS member to “excel in the grace of giving” through Christ. The MCG assists the COP with its responsibility to fund

the synod. This funding is provided through Congregation Mission Offerings as well as direct gifts to WELS from individuals and foundations.

WELS MCG carries out that role of support for the COP through a variety of means, including:

- direct mailings from the WELS Center for Mission and Ministry (CMM) and
- face-to-face visits conducted by the called Christian giving counselors.

The MCG is involved in

- collecting Congregation Mission Offering (CMO) commitments for the support forecast,
- collecting statistical data from WELS entities for the annual WELS Statistical Report, and
- working with the COP in producing an annual stewardship program to be used by the local congregations.

The MCG is connected to nearly every aspect of WELS ministry. Since it is the main driver behind the COP's responsibility to fund the synod, the MCG office coordinates the receiving of congregations' CMO subscriptions. In addition to the CMO subscriptions, the MCG, through its called Christian giving counselors and various mailings, works with individuals to raise ministry awareness and support through current, as well as deferred, gifts. In this way the MCG partners with the directors of Ministerial Education and Missions to provide support resources for our ministerial education schools and mission fields. The MCG also provides direct and indirect support to our area Lutheran high school mission advancement offices and other WELS-affiliated ministries; this is in addition to the support made available to each congregation.

Our full-time current CGCs, on behalf of synodwide ministry efforts, are given the goal to make 400-plus visits annually (semi-retired 200). Our full-time deferred CGCs, serving the WELS individual/family, are given the goal of 200-plus visits (semi-retired 100). The number of visits expected is higher than "industry standards" and yet these goals seem to be attainable for our CGCs. The goal assumes correctly that the CGCs are not going to a handful of people multiple times a year just to reach the quota.

Topic two: Best practices and training

Overall, the work carried out by the MCG is done with decency and in good order. In our review of internal processes, we found everything to be done decently and orderly. Processes are documented and reviewed on a regular basis.

Our committee was included in the annual summer MCG conference held at the Center for Mission and Ministry from June 1–3, 2016. All Christian giving counselors (CGCs) called by WELS are expected to attend. The ministerial education mission advancement personnel are strongly invited to attend, along with the MCG office staff and WELS Foundation Board and staff. Important security measures are updated on the electronic devices of each CGC. Training on Raiser's Edge (WELS donor database) is also part of this conference. Members of other areas of WELS ministry were invited to share their latest information with the attendees; this serves to benefit the CGCs as they go out and visit with God's people. Most of the training is done in-house with the MCG director, the senior deferred Christian giving counselor, and the senior current Christian giving counselor facilitating this ongoing effort. These three men are to remain current with best practices in current and planned giving outside of WELS with the purpose of sharing what is learned with the rest of the CGC team. Due to a lack of funding, not all of the CGCs are able to attend non-WELS continuing education workshops in person; however, team members are encouraged to research best practices on their own.

In addition to inviting other areas of WELS ministry to this annual training conference, our committee encourages even more communication among the areas of ministry inside and outside the Center for Mission and Ministry, particularly when it comes to what is being done by what area and how each area can assist each other. One example would be confirming with Financial Services what solicitations are being conducted for tracking purposes. We would encourage more give and take on procedures especially when it comes to the ministerial education schools. For example, we would encourage sharing of ideas by each of the support staffs from the schools and the MCG.

The summer conference for 2017 is scheduled to take place at Michigan Lutheran Seminary in Saginaw, Mich. While there is benefit in rotating the conferences among our various WELS ministerial education schools, is this the best practice of stewardship in human resources given the number of support personnel at the CMM as well as with our financial resources?

While our committee recognizes that the members of the COP have extremely busy schedules, there would be value in their attendance on a rotating basis.

Topic three: Missed opportunities

There are countless blessings to the work being conducted through our MCG staff and CGCs. The CGCs, in some respects, have become the face of our synod across the United States. People of God who are rightly motivated to give of their first fruits are personally connected to opportunities of impactful ministry whether it is in the area of education or missions. While gifts do come into WELS aside from the work of the MCG or the CGCs, the MCG, in communication with our areas of WELS ministry, is able to encourage gifts to areas of ministry of high priority at a point in time.

Opportunities to tell the Ministerial Education and Missions stories are being missed as there are fewer counselors (fewer than 12 FTE currently, considerably lower than the original intent of 17 FTE) with an untapped resource of people motivated to give but unaware of needs within and supported by WELS. Proposed cuts or freezes to the MCG budget have the potential to widen the missed opportunities. However, the needs for human and financial resources are on the rise. The ability to react to requests for our assistance in Home and World Mission fields is not solely connected to a lack of financial resources, yet financial resources do factor into the equation.

Congregation Mission Offerings (CMO) are not able to keep up with the necessary operations of our church body, let alone the opportunities the Lord may present us with. The need for other source income has become the current reality. In order to receive such income we need people promoting the opportunities. We need people who seek such gifts to the church not just to meet a need but who will continue to raise up godly stewards, connecting the gospel-motivated donors with the needs and opportunities before us currently and going forward.

Should each CGC carry out the role of both current and deferred? Or, should the CGCs remain as is with a number of them focused on gifts for current ministry opportunities while the others assist God's people with long-term investing of their God-given resources desired for ministry? There is benefit for the foreseeable future to keep the roles separate. In this way the nurturing of expected gifts will not get lost in nurturing current one-time and recurring gifts.

Due to flat CMO revenue and the need to encourage other funding opportunities to do ministry, the committee recommends that the number of current Christian giving counselors be increased. There is not one right way to utilize the counselors. Larger districts of WELS could have two current CGCs. The makeup of the two CGCs in a larger district could consist of a full-time CGC and a part-time CGC or two full-time CGCs. The committee recommends that the number of deferred CGCs remain at the existing level.

To assist with finding new donors through our database, as well as improving communications with other areas of WELS ministry, as funding becomes available, the committee recommends that a team member in the MCG office be added.

Topic four: Advocates of Congregation Mission Offerings

The Conference of Presidents (COP) needs to remain the driver of the CMO through the circuit pastors. The MCG is to continue in offering assistance to the COP and the circuit pastors in this effort. The MCG already has tracking and other support mechanisms for this in place.

Topic five: Annual stewardship programs

It would be of benefit to the COP if the MCG would coordinate such programs.

Topic six: The calling or hiring of Christian giving counselors

Since it is one of their responsibilities to raise up God's people for works of service, including in the area of stewardship, and since CGCs who needed to become WELS certified indicated that the certification process was personally beneficial, the committee recommends that the CGCs continue to be called.

Topic seven: Mailings sent out from the Center for Mission and Ministry

The gifts given through the various appeals outweigh the costs of these mailings. Therefore, this method remains a wise use of resources. The current practice of working with WELS Communication Services so that the timing of mailed pieces matches information sent out through other forms of communication, including *Forward in Christ* magazine, is encouraged to remain in place.

Topic eight: Use of MCG district chairmen

The MCG district chairmen currently support the circuit pastors in the collection of CMO subscriptions and statistical information. In order to remain a valuable asset to the district presidents, together with the circuit pastors, it is encouraged that the MCG director continue to work on communicating with the MCG chairmen the expectations of their role. This would include suggestions on how to meet those expectations. We realize some of the training offered

in the past, for example face-to-face meetings, was eliminated due to other funding priorities. However, the committee encourages the MCG to find funding for a district chairmen's meeting at least once every three years.

Concluding remarks

Our committee concurs with the above mentioned floor committee's resolution when it noted:

- WHEREAS 1) the Ministry of Christian Giving (MCG) performs vital work by utilizing gospel-centered, personal, and practical tools in order to assist and encourage Christians to grow in the grace of giving; and
- WHEREAS 2) growth in Congregation Mission Offerings (CMO) is needed to maintain current synodical ministry efforts and to address unfunded priorities . . . ; therefore be it
- Resolved, a) that we thank the Lord for the faithful labor of the MCG office and counselors, asking the Spirit's continued blessing on their work; and be it further
- Resolved, b) that we encourage all congregations to utilize the tools provided by the MCG as they plan their CMO . . .

The Ministry of Christian Giving through the years and by the grace of God has been able to have a positive impact on WELS ministry. Relationships between God's people and ministry opportunities have been formed. The need for developing more of these relationships is growing among us. The MCG has the framework (best practices) in place to meet the anticipated needs of WELS ministries, especially as the MCG continues to increase the relationship with each of the four WELS schools' mission advancement personnel. The committee encourages the ministerial education schools' mission advancement personnel to continue their efforts to support WELS ministries as a whole and not just promote a single focus.

Since there is a growing need for other sources of revenue to support core current and future planned/anticipated WELS ministries, the encouragements and recommendations throughout this report are meant to address this need for other revenue while not losing the importance and promotion of Congregation Mission Offerings. The MCG carries out an important support role to all areas of WELS ministry; we see current and increased financial support for the MCG as an investment to best meet the growing number of requests to do these ministries well to the glory of our God and the building up of his kingdom as he allows.

The committee members are thankful for the opportunity to serve our church body in this way. To God be praise for the blessings he has poured out upon and through the Wisconsin Evangelical Lutheran Synod. To God be praise for the opportunities he has put before us as a church body, including the many more opportunities we are not even aware of at this time in history. To God be praise for you as we work together to raise financial resources to meet the opportunities.

Rev. Jonathan Kolander, reporter

Rev. Jonathan Kolander, chairman

Mr. Paul Dettman

Rev. Ken Frey

Rev. Mike Otterstatter

Rev. Joel Voss, Conference of Presidents

Advisory:

Rev. Mark Schroeder, WELS president

Communication Services

Floor Committee #5

Our calling

Communication Services exists to assist the Conference of Presidents in communicating WELS' mission to the members of the synod. It is responsible for a clear and consistent communication of the synod's mission from the synod's national offices—and for exploring, supporting, and expediting innovative media usage and shared communication for WELS ministries and congregations. It is also responsible for reviewing and authorizing all new communications originating in the synod's national office. The current staff consists of five full-time equivalents and one part-time.

Our current situation

The Communication Services staff is focused on working on the synod's major communication initiatives. The most important initiative is to coordinate the various WELS communications platforms so that they have a single, recognizable look and feel. The department's goal is also to layer key communications to address key topics simultaneously across main communication channels. The goal of Communication Services is to work with each area of ministry to identify their priorities and then to communicate these priorities to laypeople and called workers alike through this cross-promotion, multi-platform strategy.

Forward in Christ, WELS' official monthly magazine with a print run of more than 36,000, provides its readers with inspirational and informative articles focused on God's grace as well devotions, Bible studies, and synod news items. Many of the magazine's stories are posted on the wels.net website and on our social media platforms to reach a broader member and unchurched audience. In September 2016, a special bonus issue was produced highlighting WELS Missions under the theme "Every neighbor, every nation—WELS Missions and you." This special issue shares the stories of how the Holy Spirit is still adding to the church through our current mission initiatives and focuses on new mission opportunities at home and abroad. Regular subscribers to *Forward in Christ* received the bonus issue automatically. If you would like to receive a free copy/copies of the Missions issue for yourself or your congregation, contact Northwestern Publishing House at 1-800-662-6093, ext. 5613; nphperiodicals@nph.wels.net; or order online at nph.net/fic. *Forward in Christ* is planning a special Lutheran Reformation 500th anniversary issue in October 2017. The issue will include a historical timeline of the Reformation as an insert.

WELS Connection, the monthly video viewed in more than 800 congregations, is entering its 30th year of providing stories that highlight the important work happening as a result of our Congregation Mission Offerings. Northwestern Publishing House handles the subscription process and offers two annual subscription rates: \$95 for the downloadable version and \$105 for a DVD that is mailed three times per year. The monthly video is also posted on wels.net and the WELS Facebook page the month after it is viewed by the local congregation, further expanding the audience reached by these stories.

WELS Connection Close-up, the print companion piece to the video presentation, has a print run of 128,000 per month, showcases an area of ministry each month, and presents to our members an actionable opportunity and response.

"Together," a bi-weekly e-newsletter, is e-mailed to more than 9,000 subscribers the first and third Tuesday of each month. The stories are posted on wels.net and more than 300 congregations also use the print version as a bulletin insert. This newsletter reports on the news and events within our synod that every WELS member should know. In 2016 we began using the Center for Mission and Ministry recording studio to produce a bi-weekly "Together" video update. We highlight important and interesting synod news in a short video that features an interview with a newsmaker. The "Together" video update is shared with all current subscribers to the print version of the e-newsletter.

The synod's official website, wels.net, continues to provide timely content for both synod members and non-members who want to learn more about WELS and what we believe as confessional Lutherans. The annual number of page views continues to remain strong at more than 3 million. About 31 percent of users are new visitors, with unique users

totaling more than 436,000. One-third of visitors access the site via a mobile device, and we offer a WELS mobile app that has been downloaded more than 20,000 times. One of the more popular sections of the website is the Questions and Answers content. Through February 2017, Martin Luther College Prof. James Pope has answered 1,044 questions. Cumulatively, 19 percent of the questioners identified themselves as belonging to churches other than WELS or the Evangelical Lutheran Synod. That 19 percent consists of people from numerous Christian denominations stateside and throughout the world. Working with Technology Services, we completed a redesign of the What About Jesus? website. The new website is mobile responsive and features all new images and graphics.

Communication Services remains committed and able to continue developing content for all other essential internal communication tools, including *Book of Reports and Memorials*, the synod convention delegate's booklet, *Report to the Twelve Districts, Proceedings*—the official record of each synod convention, live streaming major WELS events, and video reporting of convention proceedings.

Here is a list of recently completed projects:

- Communication Services produced materials used to celebrate the 500th anniversary of the Lutheran Reformation. The Communication Services staff launched a Reformation 500 section on wels.net that features stories and resources on Martin Luther. Working with the Northwestern Publishing House team we provide a Reformation/Luther product list with links and images for NPH resources. Content from NPH publications provide an introduction to Luther and the Reformation. A listing of Reformation events around the synod is also available. We plan to increase the visible church known as WELS both in the state of Wisconsin, home to our largest concentration of congregations, and nationally. The new Luther film, *A Return to Grace: Luther's Life and Legacy*, community screening campaign established WELS as a beacon of confessional Lutheranism and promotes the idea that all of our congregations are places where the law and gospel are preached. Hundreds of WELS/ELS congregations will host a screening of the film at their local theater in 2017.
- Design and construction of a visitor center located in the lower level of the WELS Center for Mission and Ministry. The visitor center includes a visual timeline of WELS' history as well as informational kiosks on areas of ministry. Guests will see a video highlighting WELS ministry and receive a tour of the Center for Mission and Ministry. This new welcome center allows us to introduce visitors to our synod's history and to educate our members on the important work the Lord allows WELS to accomplish through his grace.
- Working with the Ministry of Christian Giving, Communication Services prepared the One in Christ debt elimination campaign print and video materials.
- Interactive Faith online Bible studies are held twice per year. Led by a pastor or professor, these one-hour studies are broadcast live via the Internet. Many congregations gather as a group for the Wednesday night study; other WELS members connect as couples or individuals. Postcards, posters, and worship folder inserts are created and mailed to every congregation to promote the Bible studies.
- The 2016 WELS International Youth Rally was held at Colorado State University. Nearly 2,000 young people attended workshops on relationships, social networking, dealing with temptations, finding ways to serve at home and abroad, and making decisions beyond high school. Communication Services created a logo for the event along with the layout and design for all print materials including a promotional booklet, poster, and bulletin insert.
- The eighth triennial WELS National Worship Conference is being held during the summer of 2017 at Carthage College, Kenosha, Wis. Attendees will enjoy four days of worship, instruction, and camaraderie. A logo was created for the event along with the layout and design for all conference print materials. A promotional brochure was made available to our congregations. Full news coverage of this conference will be shared with our members in "Together" and *Forward in Christ* as well as online streaming of the opening and closing services.
- Thousands of WELS members continue to attend the WELS Night at Miller Park baseball game every summer. This annual event is a chance to meet WELS members throughout the Midwest in a casual setting while promoting our synod to the greater Milwaukee area. The date for the 2017 WELS Night at Miller Park event is Thurs., Aug. 10.
- Communication Services provides monthly digital display graphics for churches and schools to inform members of WELS events and programs supported by their Congregation Mission Offerings. This ministry kit is e-mailed to every congregation the first week of each month.

A look ahead

The synod's current long-range plan states:

Worldwide identity as Confessional Lutherans

1.1 - WELS will be more widely known as a confessional Lutheran church body, firmly founded on the Holy Scriptures and joyfully proclaiming the saving love of Jesus Christ in Word and sacrament to as many people as possible around the globe.

To accomplish this goal, the following major initiatives will continue during the next biennium.

- Social media is an ever-increasing communications platform and tool to reach our members on a consistent, almost daily, basis. Our Facebook page, facebook.com/welslutherans, has more than 45,000 followers, and we are posting content daily in an attempt to encourage more interaction and sharing from our followers. We also have a Twitter page, @welstweets, with nearly 2,500 followers and an Instagram account and Vimeo channel. We use social media as a communications and marketing tool for the all-synod conferences and events. It is a great way for parents, family, and friends of participants to keep up to date on events happening in their synod.
- *Your gifts, God's blessings: An annual report to our members* is distributed to every WELS congregation each January, and a copy was included in the Ministry of Christian Giving annual statement to each synod donor. Free print versions of the report are available from Northwestern Publishing House. You may access the online version at wels.net/annualreport. Christian giving counselors are provided a PowerPoint presentation that summarizes the information in the annual report.
- Communication Services, in cooperation with the Ministry of Christian Giving, recently produced a video for WELS Foundation explaining the group's purpose and free services it offers to our members. Every WELS congregation that subscribes to *WELS Connection* received the video on the second installment produced this year.
- Content needed for the next Ministry of Christian Giving annual individual donor campaign featuring Michigan Lutheran Seminary is nearing completion.
- The Reformation 500 campaign will establish WELS as a beacon of confessional Lutheranism and promote all of our congregations as places where the law and gospel are preached.

The workload on our current communication's staff is at capacity. If not for the servant's attitude and incredible work ethic of the talented and dedicated individuals of the Communication Services team, many of these projects would not have been completed in a timely manner.

Mr. Lee Hitter, reporter

Advisory:

Rev. John A. Braun, Northwestern Publishing House

Mr. Lee Hitter, director of WELS Communication Services

Rev. Mark Schroeder, WELS president

Prof. Bill Tackmeier, *Forward in Christ* consultant

Nominating Committee Floor Committee #21

These candidates have been chosen by the synod Nominating Committee to be presented to the delegates of the 64th biennial convention of the Wisconsin Evangelical Lutheran Synod. The delegates will elect one man for each position listed unless otherwise indicated. Incumbents are noted by an asterisk (*).

Synodical Council

Pastor-at-large (need two)

Luke Boehringer, Davenport, Iowa

Joel Jenswold, Hortonville, Wis.*

Philip Kieselhorst, Westminster, Colo.

Jonathan Schroeder, Sharpsburg, Ga.*

Timothy Spaude, Greenfield, Wis.

Synodical Council

Teacher-at-large (teacher or staff minister)

James Moeller, Watertown, Wis.*

Benjamin Priebe, Appleton, Wis.

Gregory Thiesfeldt, New Ulm, Minn.

Board for Home Missions

Chairman (parish pastor)

Joel Schulz, Mississauga, Ontario, Canada

Wayne Uhlhorn, Oceanside, Calif.*

Matthew Vogt, Las Vegas, Nev.

Board for Ministerial Education

Chairman (parish pastor)

John Bortulin, Mukwonago, Wis.

Steven Lange, Louisville, Ky.

Duane Rodewald, Simpsonville, S.C.*

Teacher or staff minister

Adam Harvey, Hartford, Wis.

David Wilson, Manitowoc, Wis.

Gerald Zeamer, Jackson, Wis.

Layman (need two)

Paul Hahm, Hilton, N.Y.

Richard Krahn, Oconomowoc, Wis.

Brent Nemmers, Allen, Tex.

Peter Sahlstrom, Decatur, Ga.

Kenneth Teske, Powell, Ohio

Dean Waldschmidt, Fond du Lac, Wis.*

Board for World Missions

Chairman (parish pastor)

David Bivens, Sugar Land, Tex.

Aaron Christie, Waukesha, Wis.

Paul Janke, Watertown, S.D.*

Layman

Glenn Bechler, Appleton, Wis.

Arlin Bornschlegl, Rochester, Minn.

Stephen Strecker, Plano, Tex.

Wisconsin Lutheran Seminary Governing Board

Chairman (parish pastor)

Joel Heckendorf, Greenville, Wis.

Jonathan Scharf, Covington, Ga.

Eric Steinbrenner, Livonia, Mich.

Board of Appeals

Pastor

Joel Leyrer, Wauwatosa, Wis.*

Paul Naumann, Benton Harbor, Mich.

David Rosenau, Yalaha, Fla.

Teacher or staff minister

David Knittel, Grove City, Ohio

James Moeller, Watertown, Wis.*

David A. Voss, Williamston, Mich.

Layman

Mitchel Dietzel, Newborn, Ga.
Kennith Gosch, Aberdeen, S.D.*
Roger Price, Kimberly, Wis.

Commission on Evangelism

Chairman (pastor, teacher, staff minister, or layman)

Donn Dobberstein, Port Orange, Fla.*
Kent Holz, Clarksville, Tenn.
Joel Thomford, Chesaning, Mich.

Commission on Lutheran Schools

Chairman (pastor, teacher, staff minister, or layman)

Timothy Mueller, Muskego, Wis.
James Henrickson, Dallas, Tex.
James Sievert, West Bend, Wis.*

Northwestern Publishing House Board of Directors

Parish pastor

Daniel Habben, St. Albert, Alberta, Canada
Joel Gawrisch, St. Paul, Minn.
Joel Schroeder, Lenexa, Kan.*

Teacher or staff minister

Luke Hartzell, Doral, Fla.
David Payne, Appleton, Wis.
Matthew Groth, Saginaw, Mich.

Layman (need two)

Dwight Luedtke, Troutville, Va.
Joel Raasch, Germantown, Wis.
A. John Wiley, Appleton, Wis.
Edward Wolf, Slinger, Wis.*

Rev. Robert Pasbrig, chairman
Rev. Jonathan Bergemann, North Atlantic District
Rev. Robert Guenther, Pacific Northwest District
Rev. Jeffrey Heitsch, Nebraska District
Rev. Mark Henke, Northern Wisconsin District
Rev. Michael Kober, South Atlantic District
Rev. Henry Koch, Minnesota District
Rev. Jonathan Nitz, Southeastern Wisconsin District
Rev. David Reichel, Dakota-Montana District
Rev. Jeffrey Seelow, Western Wisconsin District
Rev. Joshua Stahmann, Arizona-California District
Rev. Steven Wagenknecht, South Atlantic District
Rev. Thomas Westra, Michigan District

Congregation and Ministry Support Group

Our calling

The Congregation and Ministry Support Group (CMSG) is part of Congregation and District Ministry and serves under the Conference of Presidents (COP).

The role of the CMSG is to serve congregations, schools, and their leaders by providing resources, training, and personal assistance so that they might carry out gospel ministry in the most faithful way on the local level.

The various CMSG units give focused attention to specific areas of congregational life. Resources that are offered include print/electronic material, “schools” for specialized leadership training, conferences, consultation, and web connections. CMSG units work with district coordinators to assess the needs of district parishes and schools and to provide resources, training, and personal assistance to meet those needs.

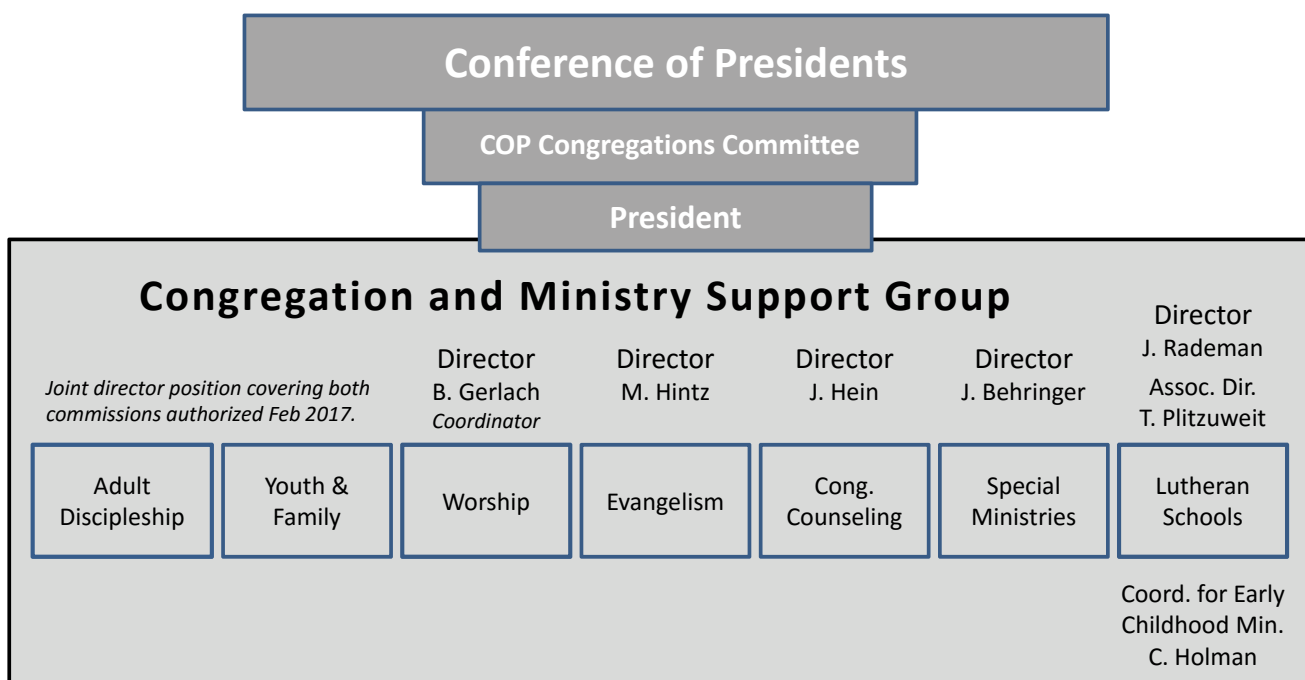
Strong and healthy congregations are best able with gospel ministry to expand the kingdom and to enable the synod to carry out its ministries. Thus the many CMSG programs and services benefit not only congregations but also the worldwide mission of WELS.

Our current situation

Synodical priorities and budgetary realities since 2009 have required a downsized CMSG. In early 2017 seven people are serving in called CMSG positions, down from 11 in 2009. This includes two positions prioritized by the COP and funded since 2009: the national coordinator for early childhood ministry (July 2011) and the director for congregational counseling (July 2013).

At its February 2017 meeting the Synodical Council, with the support of the Conference of Presidents, prioritized a joint director for the Commissions on Adult Discipleship (CAD) and Youth and Family Ministry (CYFM) above the cut line in the Ministry Financial Plan for the next biennium. The SC also approved issuing a divine call for this director already in spring 2017.

The current structure of the CMSG is shown in the following chart. Boxes indicate commissions; members are indicated in the reports that follow.



A look ahead

In August 2016, CMSG directors along with chairmen for the Commissions on Adult Discipleship and Youth and Family Ministry held a day-and-a-half of strategic planning under the leadership of Pastor Jonathan Hein, director of the Commission on Congregational Counseling. Plans for the future include these points:

1. While there will always be some need for “boots on the ground” type ministry assistance, we envision utilizing technology much more, so that the CMSG can provide help to more congregations on a much quicker timetable. We envision providing some training and resources at little to no cost, so that all WELS congregations may benefit no matter their financial situation.
2. We envision CMSG resources being located in one, centralized, easily-navigated location with new resources and materials added regularly by the various commissions. We envision this resource center as something that many WELS congregations will rely on and utilize regularly to help with their ministry planning and efforts.

CMSG units strive faithfully and creatively to serve congregations, schools, and their leaders. The unit reports that follow give some of the details of this service in the cause of our Lord Christ and his kingdom.

Finally, watch for a name change for the Congregation and Ministry Support Group—to Congregational Services (p. 220), a shorter and more memorable name that communicates the central mission of the CMSG.

For additional information, contact Pastor Bryan Gerlach, 414-256-3265 or bryan.gerlach@wels.net.

Rev. Bryan Gerlach, reporter and CMSG coordinator

Appendix: Institute for Worship and Outreach

The Institute for Worship and Outreach (IWO) works under the auspices of the Conference of Presidents to assist and encourage pastors as they strive for excellence in public worship and mission outreach. The IWO is a group of WELS pastors who have become convinced, on the basis of study and ministry experiences, that worship forms and outreach methods can and must intersect confessionally and evangelically in efforts to proclaim the gospel of Jesus. With this perspective, they have come together to foster a unified philosophy of worship and outreach in WELS and to be a resource for pastors as they reach out to the lost with the gospel of Jesus in public worship.

The IWO carries out the following functions.

- Publishing: The institute publishes papers, articles, and blogs at worshipandoutreach.org.
- Studying: The institute is committed to an ongoing study of methods, practices, and customs that concern especially the interaction of worship and outreach. The institute assembles periodically and invites other WELS pastors to participate in the studying process.
- Training: Through resource development, program content, and publishing, the institute assists pastors interested in developing an overall strategy of outreach that includes an emphasis on public worship.
- Consulting: When invited, members of the institute will work with individual pastors and/or groups of pastors to offer advice and counsel concerning specific challenges in the field.

Since its inception in 2010 the institute has presented to eight districts, the Wisconsin Lutheran Seminary Symposium, Martin Luther College Evangelism Day, Wisconsin Lutheran Seminary Mission and Ministry, and the National Conference on Worship Music and the Arts. The institute continues to present to WELS congregations, conferences, and conventions. Several members of the IWO are regular presenters at WELS Schools of Worship Enrichment and WELS Schools of Outreach. Eight of its members serve on committees to produce the next WELS hymnal.

Rev. Jonathan E. Schroeder, reporter

Rev. Jonathan E. Schroeder, moderator

Rev. Jonathan Hein, co-moderator

Rev. Jonathan Bauer

Rev. Aaron Christie

Rev. Donn Dobberstein

Rev. Michael Geiger

Rev. Bryan Gerlach

Rev. Michael Hintz

Rev. James Huebner
Rev. Daniel Leyrer
Rev. Adam Mueller
Rev. David Scharf
Rev. Michael Schultz
Rev. John Steinbrenner
Rev. Nathan Strutz
Prof. James Tiefel
Prof. Earle Treptow
Rev. Charles Westra
Rev. Jon Zabell

Commission on Congregational Counseling Floor Committee #12

Our calling

The Commission on Congregational Counseling (CCC) assists WELS congregations in assessing and evaluating ministry, reviewing biblical teachings and principles that impact ministry, developing plans to adjust and expand ministry in appropriate ways, and carrying out their plans over a period of time. The CCC serves under the Conference of Presidents, providing a means for district presidents to offer encouragement and support to their congregations.

Our current situation

The CCC operates a variety of programs that help congregations to assess and evaluate their ministry. Two of the programs are conducted one on one, with a trained congregational counselor spending time onsite with a congregation. Those are the Self-Assessment and Adjustment Program and the Ministry Organization and Staffing Evaluation. The CCC also offers a program that can simultaneously serve multiple congregations located in a geographic proximity, the School of Strategic Planning.

Self-Assessment and Adjustment Program

This program consists of four phases:

1. **Establishment phase**—Here a congregation works through a community profile, a congregational profile, and an electronic pulse survey. This allows both the congregation and its assigned counselor to have a more complete understanding of the congregation's current ministry context.
2. **Assessment phase**—This is the heart of the Self-Assessment and Adjustment Program. An assigned CCC counselor is on site. On Saturday, he leads the congregation in a day-long Bible study about various aspects of ministry: worship, outreach, discipleship, youth ministry, fellowship, stewardship, etc. The congregation looks at biblical and confessional principles in each of these areas. The members of the congregation then come up with a list of ways they could adjust or expand their local ministry in those areas.
3. **Adjustment phase**—The counselor produces a detailed report, summarizing important findings from the community and congregational profile, as well as the pulse survey. Most importantly, he makes recommendations based on what the congregation members said they wanted to do to adjust or expand ministry. Those recommendations will often include using various resources produced by WELS Congregation and Ministry Support Group.
4. **Implementation phase**—For up to ten months, the counselor will remain in contact with the congregational leadership, offering ongoing encouragement and advice as the congregation works at implementing the ministry adjustments and expansions.

Every counselor for the Self-Assessment and Adjustment Program is himself a parish pastor who volunteers his time to help congregations work through this assessment program. It is important to stress the "S" in the Self-Assessment and Adjustment Program. Self-analysis. Self-adjustment. The view of the CCC is not that the counselors are outside experts who will tell congregations the right way to do ministry. A CCC counselor cannot understand a congregation or a community as well as the people who have been there for years. Thus, the counselor simply serves to facilitate

healthy discussion amongst the congregational members about how they might best serve the kingdom. He provides an objective set of eyes and ears as the congregation looks at their situation. And he helps the congregation to find the resources they need to adjust and expand ministry as they themselves determine best.

The Self-Assessment and Adjustment Program not only helps the congregations to assess and adjust their ministry, but it also gives the CCC a unique vantage point, allowing us to identify consistent challenges and needs among WELS congregations. The CCC can then pass this information along to the other divisions within the CMSG, allowing them to shape their efforts in a way that meets those challenges and needs.

Shepherd Resources

The 2015 synod convention asked the CCC to create an online repository where pastors could share resources they had produced: Bible studies, worship plans, evangelism materials, leadership training, etc. The result is Shepherd Resources. You can find it at shepherdresources.org. WELS pastors are invited to create an account and begin sharing materials. Membership and usage are free.

Demographic study and statistical analysis concluded

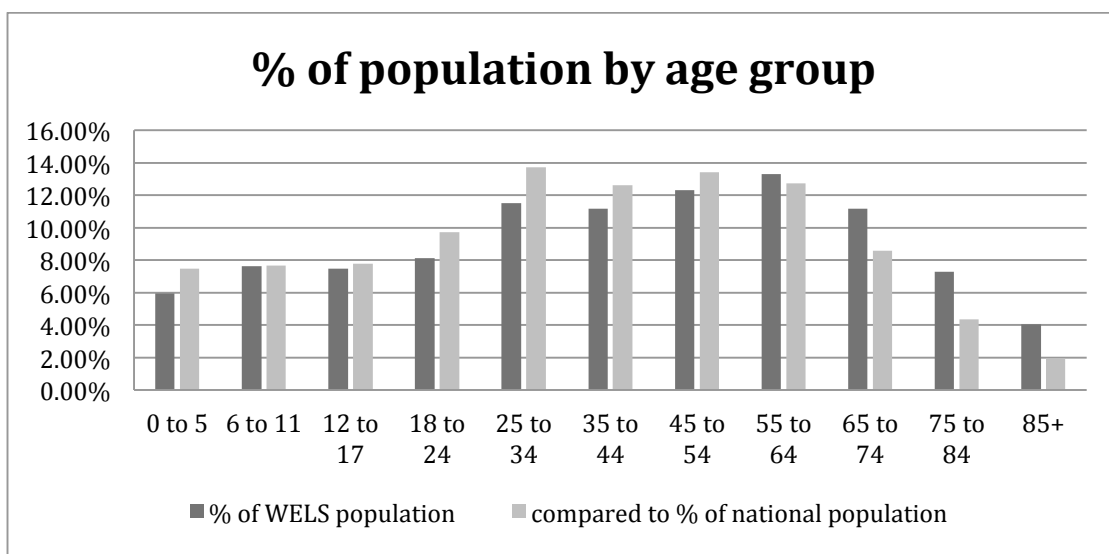
In fall 2014, the CCC asked the Conference of Presidents (COP) to expand the annual statistical report to include demographics. The COP passed that resolution. In 2015 and 2016, as part of their report, congregations shared how many members they have in a variety of age brackets: 0 to 1 years, 1 to 5 years, etc. In addition to this, the CCC, working with WELS Ministry of Christian Giving, began compiling statistical records into a database so that trends could be more easily identified. This was all done for five reasons.

1. We wanted to quantify the “greying” of WELS congregations.
2. We wanted to examine the decline in overall WELS membership over the past decades.
3. We wanted to fulfill a request by the COP to study how WELS fared among what is now the nation’s largest population segment, the Millennial generation.
4. We wanted to look at the issue of aging rural congregations, quantifying the situation.
5. We wanted to look for trends among WELS congregations that might help the CMSG plan their ministry.

Here are some items of note.

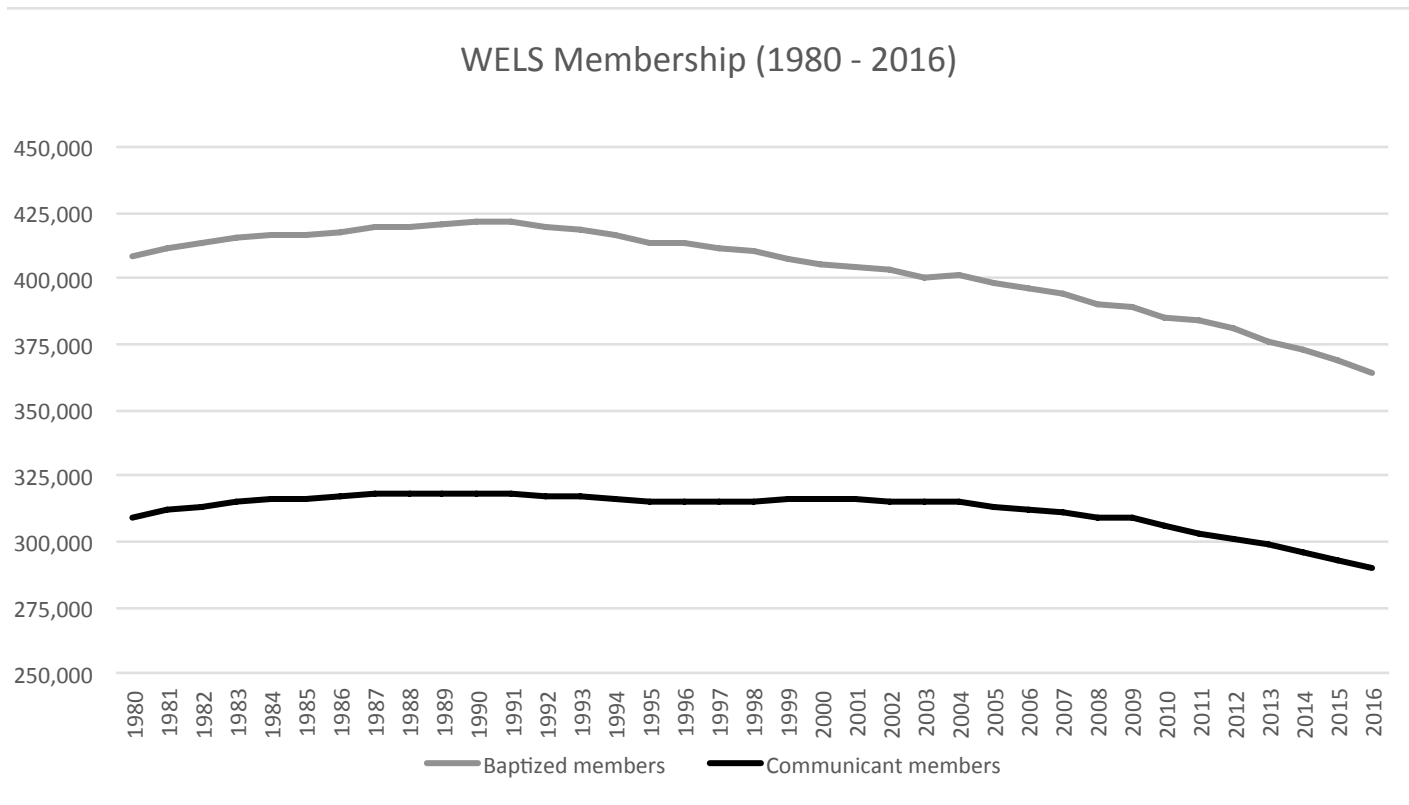
The age of WELS

WELS membership skews older than the national population. The median age in the United States is 37.9. WELS’ median age is 42.6. However, this is a dilemma faced by most Christian denominations. For example, the average age of a WELS member is 43.1. That is four years younger than the average age of 47 in the LCMS. The median age of Roman Catholics in America is 49, more than six years older than WELS. The aging of our congregations presents a challenge, but the challenge is not unique to WELS.



Decline in WELS membership

The following graph shows WELS membership from 1980 to the present.



We see that WELS has been losing baptized members since the early 1990s. In the mid 2000s, we began seeing communicant membership decline as well. More challenging is that the rate of decline is increasing. In the decade from 1997 to 2006, WELS lost an average of 0.42 percent of its baptized membership per year and 0.11 percent of its communicant membership per year. In the following decade (2007 to 2016) WELS lost, on average, 0.84 percent of its baptized membership per year and 0.74 percent of its communicants per year.

Some have suggested this is simply a matter of WELS couples having fewer children. However, lower birth rates constitute, at most, only about one-quarter of the statistical decline. There are two bigger factors. The first is that it is harder than ever to retain members who graduate from high school. The percentage of WELS members in that demographic who leave our church body is higher than in previous decades. The second factor is the aging of WELS—7.29 percent of WELS members are age 75 to 84; 4.06 percent are 85 or older. “Communicant deaths” has grown (as a percentage of total WELS communicant membership) for three decades.

On the one hand, these challenges should not be underestimated. They necessitate continued prayer and careful planning. On the other hand, it must be understood that this is the pattern of almost all Christian denominations.

For example, in the 20-year span from 1992 to 2012, the LCMS declined by 15.8 percent. In that same span, WELS declined by 9.3 percent. The ELCA lost 23 percent of its membership from 1987 to 2011. In that same period, WELS declined 8.6 percent.

With most mainline congregations, when you compare their membership from the late 1960s to their current membership, you see massive losses. The Reformed Church in America is down 62 percent (1967 to 2014). The Episcopal Church is down 49 percent (1966 to 2013). The Presbyterian Church (U.S.A.) is down 47 percent (1967 to 2013). The United Methodist Church is down 33 percent (1967 to 2012).

Certainly, having been committed to the message of reconciliation by Jesus Christ himself, we will constantly strive to give Christ our best gospel ministry efforts. However, like all Christian denominations, WELS is facing the challenge of existing in a post-Christian country and post-modern times.

WELS Millennials

As mentioned previously, it is challenging for any Christian congregation to retain or gain members from the Millennial generation. However, there seemed to be a perception that WELS struggled with this challenge to a greater degree than other church bodies. That perception is not validated by our study—19.64 percent of WELS members are between the ages of 18 and 34, the Millennial generation. A 2010 Pew Research survey indicated that in the average Evangelical church, Millennials comprised 17 percent of the membership. It was estimated that in an average mainline denomination, Millennials comprised only 14 percent of the membership. Again, it would seem WELS is simply facing the challenge that all Christian denominations are facing.

Aging/Rural congregations

Part of our demographic study tried to identify how many congregations faced what we call “the 50/60 challenge”—an average Sunday attendance of less than 50 and an average age of 60 or older. With our demographic study concluded, we believe there are approximately 110 congregations that fit those parameters. Most of those are in rural areas where there is a very low per-square-mile population, making mission work challenging.

A look ahead

In fall 2016, the directors of the CMSG met to review some of the preliminary demographic information coming out of the CCC’s study and, based on that information, to begin formulating a strategic plan by which the CMSG might help WELS congregations meet upcoming challenges.

Here are some things we believe will be vital in meeting these challenges.

Encouraging all congregations to engage in regular planning and ongoing self-assessment of ministry efforts

This may take place through the CCC’s Self-Assessment and Adjustment Program. However, the CCC is also considering ways to help congregations do this on their own or with the assistance of a circuit pastor. For example, one CCC objective for the second half of this biennium is to prepare a series of videos and materials that would walk congregations through the strategic planning process over a three-month period. Instead of having a CCC counselor onsite, a congregation could utilize these materials in a way that fits its schedule.

Encouraging all congregations to implement a curriculum of ongoing evangelism training

We would like to see congregations utilize a variety of classes that provide gospel motivation for witnessing, help members identify opportunities to share their faith, help members answer questions about their faith, and demonstrate how to engage in lifestyle witnessing. Moreover, we would like to see some of these classes targeted at certain demographics, e.g. a witnessing class to prepare WELS students who are heading off to attend a public university. The goal of our evangelism emphasis in coming years is no less than a cultural change. It would be odd for a WELS member to say, “I go to Peace Lutheran, but I never give any offerings to Peace.” We want it to be just as odd for someone to say, “I go to Peace Lutheran, but I never try inviting my neighbor/friend to come with me to worship.”

Establishing a Millennial task force

Several different WELS commissions have been studying Millennials and their worldviews. We want to bring these groups together to compile “best practices” in reaching this demographic. We would also like this task force to produce resources that would help congregations think through the Millennial challenge in their context.

Helping aging, rural congregations prayerfully work through their options

As mentioned, many WELS congregations are declining in membership, yet have a sparse population/mission field around them. We will produce resources that allow circuit pastors to work with those congregations in considering their options. It might be that some merge or operate as a multi-site situation. It might be that a cluster of congregations sells off its property and then donates the proceeds to WELS Board for Home Missions (BHM) so that the district mission board might attempt a new start in proximity of where that cluster was located. These are obviously complex issues, both practically and emotionally. We want to help God’s people work through those issues in a way that gives Christ glory.

Encouraging all congregations utilizing early childhood ministry (ECM) or their elementary school as outreach to examine their harvest strategy

Right now, it can be statistically demonstrated that utilizing ECM (i.e. a preschool) for outreach does not help WELS congregations to pull new families into the church. The preschool still has the privilege of preaching the gospel to young people. However, many WELS ECMs were started with the hope that the preschool would create evangelism opportunities that would result in the parents joining the congregation. That has not happened on a wide-scale basis.

We want to encourage congregations with an ECM and elementary school to utilize the excellent resources provided by the Commission on Lutheran Schools and Commission on Evangelism in the *Telling the next generation* program.

Establishing a cross-cultural task force; encouraging congregations in ethnically diverse areas to consider the feasibility of cross-cultural ministry

The church bodies that are avoiding the aging trend mentioned previously tend to all have one thing in common—some degree of ethnic diversity. There are different commissions and groups within WELS that look at cross-cultural ministry, including the WELS Board for Home Missions, the Commission on Evangelism, etc. We would like to facilitate cooperation among them, compiling “best practices” in conducting cross-cultural ministry, and producing resources that help congregations make plans for such efforts. We want to help congregations attempt to reach individuals from “every nation, tribe, people, and language.”

Encouraging all congregations to engage in an ongoing program of whole-life stewardship

A need CCC's counselors consistently identify is a lack of volunteerism. We believe a program of whole-life stewardship, where members plan to offer both a percentage of their income and a percentage of their time, would be helpful in addressing this challenge.

The vision shared by the CMSG is to make resources that help with these challenges available to WELS congregations in a central, online location, at little to no cost. We shall be working strenuously towards that vision over this next biennium.

In summary

There is a lot in this report about statistics. We want to be careful to understand why we, as a church body, analyze statistics and make plans.

One of the phrases said often in the CCC is, “If a congregation is doing all it can to share the gospel, then numbers don’t matter.” We believe that firmly. Our calling is not to make God’s Church grow. Our calling is not to increase the number of members who are in worship or Bible study. Our calling is not to make members give more generously to the Lord’s work. Only the Holy Spirit, working through the Word and sacrament, can accomplish such supernatural things.

What God has called us to do is to be faithful, to use our God-given gifts to the best of our ability. That includes using our reason—which we confess in the explanation to the First Article is also a gift from God—to look at information and make the best decisions we can in our planning. We then listen carefully to St. James’s admonition: “You ought to say, ‘If it is the Lord’s will, we will . . . do this or that’ ” (4:15). So, in our planning, we are simply responding to Christ’s love by heeding his call to do all we can to share the gospel—with our members and with the lost.

Therefore, we believe that a “healthy congregation” or “healthy synod” is simply one that is regularly asking itself, “What else can we do to help all people know Jesus?”

May God grant that among us all.

For more information, contact Pastor Jonathan Hein at 843-873-5522 or pastorhein@gmail.com.

Rev. Jonathan Hein, reporter

Rev. David Scharf, chairman

Prof. Richard Gurgel, Wisconsin Lutheran Seminary

Rev. Adam Mueller

Rev. Doug Tomhave

Advisory:

Rev. Jonathan Hein, director of WELS Commission on Congregational Counseling

Rev. James Huebner, WELS first vice president

Commission on Worship

Floor Committee #12

Our calling

The Commission on Worship exists to help parishes in their central activity of worship that glorifies God and strengthens his people. Music and liturgy consume much of the commission's time, but "worship" includes far more: an interest in the style, the forms, and the setting of worship; in preaching; in liturgical orders and rites; in church music for the congregation, choir, soloists, and instruments; in architecture and ecclesiastical arts.

Worship is the heart of all parish life, the time when the greatest number of members gather to proclaim the gospel and receive God's life-giving power in Word and sacrament.

Our current situation

The last two years have brought significant blessings and milestones for WELS through the Commission on Worship.

The National Conference on Worship Music and the Arts

With more than 1,000 attendees, the national worship conference is the largest worship conference of all North American Lutheran church bodies (including events sponsored by the pan-Lutheran Association of Lutheran Church Musicians), even though WELS is one of the smaller Lutheran synods. The 2017 triennial conference, with strong emphasis on the 500th anniversary of the Reformation, will be June 13–16, again at Carthage College, Kenosha, Wis.

Worship conferences contribute to WELS efforts at continuing education and pursuit of excellence. Several of the typically 60 presentations relate to the intersection of worship and outreach, including some cross-cultural themes. Many presentations advance the education and expertise of those who serve us in worship, both called workers and lay leaders. Some topics focus on themes meant to strengthen our unity as expressed in worship. All enable us better to proclaim "Christ's Love, Our Calling" to both the found and the lost.

In addition to a main conference in the Midwest, the commission planned to offer two satellite sites (South Atlantic and Arizona-California Districts) in 2017. Plans for the South Atlantic District were cancelled in fall 2016 when district representatives reported that the vast majority of potential attendees would rather travel to Kenosha than to the Atlanta area. Planning continued for the Arizona-California District event in Irvine, Calif., but the pace of registration in mid-April 2017 indicated that this site would not reach viability, so this site was canceled on April 18. More than half of the worship conference attendees are, as expected, from the three Wisconsin districts. At the 2014 conference, outlying districts near proposed satellite locations sent only 107 people: 58 from Arizona-California, 32 from South Atlantic, 17 from South Central. Although overall attendance at conferences has remained solid or increased, attendance from outlying districts has declined at the last three conferences.

Resources from past worship conferences are available at worship.welsrc.net. Some of the resources are valuable for discussion by worship committees or boards of elders (if addressing worship topics). The 2014 plenary address by Pastor Jonathan Hein, "Compelling Worship," is especially valuable. Double CDs of conference highlights are available from Northwestern Publishing House (NPH). The 2014 CD is titled "By Faith." The title track is a hymn-anthem by Keith and Kristyn Getty and Stuart Townend, arranged by Richard Nichols.

Schools of Worship Enrichment

The Commission on Worship has offered Schools of Worship Enrichment since 2002. These events have been some of the most valuable and appreciated efforts of the Commission on Worship. Participant surveys at every site representing a wide variety of parishes throughout the country have given high marks to these events. We have experimented with a one-day event as an alternative to the full weekend event. But when possible we still recommend the full weekend option, Saturday morning through Sunday 4:00 p.m., with Sunday morning worship planned by School of Worship Enrichment leaders.

Newsletters

The commission publishes two bi-monthly newsletters: *Worship the Lord* and *Preach the Word*. These newsletters are used also in Hong Kong, Ukraine, Sweden, Indonesia, and parts of Latin America. In addition a growing number of non-WELS pastors are making use of *Preach the Word*.

In September 2015 a new *Preach the Word* series began on preaching to Millennials, with a variety of writers selected in partnership with the Commission on Evangelism. In September 2016 a new series began with encouraging articles by Pastor Jonathan Scharf.

Worship the Lord, after focusing in recent years on theological and historical emphases, featured a series from July 2014 to July 2016 on a variety of practical worship issues. A series on church renovations began in September 2016 and will run until at least the fall of 2017.

Back issues of both newsletters are available online, both in PDF format at worship.welsrc.net (all back issues) and starting in 2015 also in a blog format, welcoming comments, at wels.net/blogs/worship-blogs. *Preach the Word* is also available at the seminary's Grow in Grace site, wls.wels.net/grow-in-grace, as an online searchable database.

Commission membership

Two retirements, Teacher Carl Nolte in 2016 and Dr. Kermit Moldenhauer in 2017, bring to an end many years of service to the Commission on Worship and to WELS.

After teaching courses in Lutheran worship and choral conducting and directing the College Choir at Martin Luther College (MLC) since 1995, Moldenhauer retires in 2017. He began service to the commission in 1996 as an advisory member representing MLC and became a voting member in 2006. But his service to the cause of worship in WELS extends much earlier: he served as music editor for the *Christian Worship* (1993) hymnal project. He also chaired the committee that produced *Christian Worship: Supplement* (2008), which includes his musical setting of the liturgy (Divine Service I), the musical settings of two gathering rites, and other resources.

Nolte was a regular member of the commission from 1989 to 1997. Then, in his capacity as Northwestern Publishing House's sacred music and worship editor, he served from 1997 to 2016 as an advisory member. Along with other Northwestern Publishing House projects, he assisted in bringing to publication 10 commission projects.

A look ahead

Ongoing activity

Many of the activities described here will continue in the future, encouraging WELS toward good worship variety and vitality. In particular, several Commission on Worship members serve on Hymnal Project committees. Read more about the Hymnal Project on p. 53.

Future activity

Hymnology: A committee has been working since 2012 on a hymnology curriculum. The mission is simple: "This curriculum will help teachers cultivate in their students a deeper appreciation for Christian hymnody." The curriculum has three objectives: show Christ, application, and develop a love to sing and perform these melodies. Over the past few years several anticipated release dates have been reported. The development of this curriculum has reached a point at which it is not that far ahead of the development of the new WELS hymnal. To ensure the best synergy with the new hymnal, a release date of the curriculum is now planned for 2020. This also allows consideration of feedback from field-testing earlier this year as well as from presentations offered at this June's national worship conference. Although an earlier release was the initial goal, the extra time will ensure that this curriculum seamlessly serves schools and congregations alongside the new WELS hymnal for a long time to come. Initial committee members include two pastors (Jon Zabell and Jason Oakland) and six teachers (Julie Neujahr, Naomi Laabs, Beth Nolte, Mary Prange, Mike Marquardt, and Kevin Bode).

Worship education resources: While the commission has previously reported plans to provide new resources for worship education, the heavy involvement of many worship leaders in other projects—especially the new hymnal—has prevented this. To temporarily fill the need, a variety of resources from NPH and from the Commission on Worship are highlighted at worship.welsrc.net under the "worship education" tab. A new major worship education resource will be developed in conjunction with the Hymnal Project. The last major publication for worship education was the 1996 curriculum *Come Worship Christ*.

2017 Reformation anniversary: The Commission on Worship has assisted congregations with Reformation 500 worship plans by providing:

- Five Reformation-themed services released at the 2017 worship conferences. The conference opening service, a Reformation service, is also the basis for the synod convention opening service.

- Commissioned musical works that will be usable in a variety of parishes. Additional commissions might include works of liturgical art, e.g., paraments, banners, graphic arts, graphics.
- Encouragement for planners to aim high for district events.

For additional information, contact Pastor Bryan Gerlach, 414-256-3265 or bryan.gerlach@wels.net.

Rev. Bryan Gerlach, reporter

Rev. Jon Zabell, chairman
 Rev. Jason Hacker, secretary
 Teacher Kevin Bode
 Rev. Aaron Christie
 Mr. Harvey Dunn
 Dr. Kermit Moldenhauer

Advisory:

Rev. Bryan Gerlach, director of WELS Commission on Worship
 Mr. Jeremy Bakken, Northwestern Publishing House
 Mr. Carl Nolte, Northwestern Publishing House
 Prof. Joel Otto, Wisconsin Lutheran Seminary
 Rev. Michael Schultz, director of the Hymnal Project

Appendix: WELS Hymnal Project

Our calling

In 2011, the synod in convention adopted a long-range plan that included this goal under strategies for congregation and district ministry: “establish a committee to publish a new hymnal by the 500th anniversary of the first Lutheran hymnal (1524).” This plan for developing our synod’s next hymnal was also in harmony with the 1993 Joint Hymnal Committee’s desire that *Christian Worship: A Lutheran Hymnal* would serve as our synod’s hymnal for approximately 30 years.

In keeping with that long-range plan, the Commission on Worship began preliminary work on the project’s aim, scope, and timeline. In 2012, the Conference of Presidents called Pastor Michael Schultz to serve as project director. Soon afterward, the administrative structure of the project, which consists of a thirteen-member executive committee and seven subcommittees, began to take shape.

The WELS Hymnal Project has adopted the following mission statement for its work:

1. This hymnal will confess Jesus Christ, the Savior of the world, who comes to us in the means of grace.
2. This hymnal will provide materials that enable believers to use the means of grace in public worship and other devotional settings.
3. This hymnal will be faithful to the scriptures and to the witness of the scriptures in the Lutheran Confessions.
4. This hymnal will respect and draw from the historic worship voice of the Christian Church and from our Lutheran heritage.
5. This hymnal will include texts and music of excellent quality from past and present sources.
6. This hymnal will be produced with thorough study of the character of worship in WELS and the prayer that it may be used joyfully by the people and congregations of our synod.
7. This hymnal will be accompanied by print and electronic resources intended to meet the needs of various worship settings in WELS.

Our current situation

As each of the project’s subcommittees have progressed with developing the content for which they are responsible, they have taken an opportunity to seek feedback on their work from within the synod.

The **Hymnody Committee** is responsible for the 650 or so hymns that will be found in the new hymnal. In addition to the setting provided in the pew edition, the Hymnody Committee is working to make additional resources (alternate accompaniments, instrumental parts, choral settings) available digitally. One-third of WELS congregations were invited to sample and review this committee’s work. They received two sets of resources: 1) A variety of settings for

six hymns currently found in *Christian Worship*, 2) Six hymns not currently published in our synod's resources. These resources were used during the festival half of the Church Year and feedback was provided.

The **Psalmody Committee** is responsible for the musical settings of the psalms. In addition to the psalms printed in the pew edition, the Psalmody Committee is gathering even more psalm settings for even more psalms in a standalone volume called a psalter. One-third of WELS congregations were invited to sample and review this committee's work. They received a variety of settings for nine different psalms. These psalms were used during the festival half of the Church Year and feedback was provided.

The **Rites Committee** is responsible for the orders of service found in the pew edition of the hymnal. The Rites Committee is proposing one main structure for a Sunday morning order of service that includes the celebration of Holy Communion. This one main structure will allow for flexibility and variety in a number of ways, including in the musical settings used for the service's canticles. One-third of WELS congregations will be invited to sample and review this committee's work. They will be provided with this main order of service along with at least one new musical setting.

The **Scripture Committee** is responsible for the calendar that will guide churches in their annual remembrance of the life and teachings of Christ along with its accompanying three-year lectionary. The Scripture Committee has completed its first draft of a calendar and lectionary. Currently 75 pastors are using and reviewing this lectionary in their weekly worship (25 for each year of the three-year cycle). This committee has also begun its work on the calendar of minor festivals and occasions, the prayers of the day, and reviewing the creeds and the Lord's Prayer.

The **Technology Committee** is responsible for the digital delivery of the content of the next hymnal. The Technology Committee is also responsible for the design and formatting that will be used across the print and digital resources of the next hymnal. A small focus group of congregations was invited to sample and review four different typefaces for use in the hymnal. Taking into account the feedback received, the committee has chosen the typeface for the new hymnal and the overall design continues to be developed.

The **Occasional Services Committee** is responsible for the orders of service not found in the pew edition. Many of these are currently found in *Christian Worship: Occasional Services*, such as installing called workers and receiving new members into the church. This committee has begun its review of the occasional services currently found in our resources and is making plans for additional services that congregations and schools would benefit from having.

A variety of additional resources are being prepared for worship leaders. The information currently found in *Christian Worship: Manual* will be expanded into a four-volume set. The four volumes will be intended for pastors, various worship leaders, musicians, and laypeople respectively. The reference material pertaining to hymns, authors, and composers currently found in *Christian Worship: Handbook* will be published digitally.

A look ahead

Each committee has established a workflow pace and timeline that, God-willing, will allow them to complete their work by the end of this decade. Our current hope is that the hymnal and accompanying resources would be available for purchase starting in mid- to late-2021.

Members of the Hymnal Project ask for your prayers as we seek to assist the congregations, schools, and people of our church body in their continued desire to proclaim Christ's saving name in their public and personal worship.

Rev. Jonathan Bauer, reporter

Rev. Jon Zabell, chairman

Rev. Daniel Sims, secretary

Rev. Caleb Bassett, Technology Committee

Rev. Jonathan Bauer, Communications Committee

Rev. Aaron Christie, Hymnody Committee

Rev. Bryan Gerlach, director of the Commission on Worship

Rev. Jonathan Micheel, Rites Committee

Rev. Paul Prange, Psalmody Committee

Rev. Jonathan Schroeder, Scripture Committee

Rev. Michael Schultz, director of the Hymnal Project

Prof. James Tiefel, Wisconsin Lutheran Seminary

Rev. Keith Wessel, Occasional Services Committee

Commission on Evangelism

Floor Committee #12

Our calling

The Commission on Evangelism exists to assist congregations and members to seize every opportunity the Lord provides to evangelize lost souls. Our service to WELS is:

1. To develop and promote evangelism resources that faithfully proclaim the truth of Scripture.
2. To promote evangelism attitudes, structures, and programs consistent with Christian doctrine and the situation into which God has called a church, its called workers, and its people.
3. To promote the “equipping of the saints” for both organized congregational evangelism and individual Christian witness.

Our current situation

School of Outreach

A main objective of the WELS Commission on Evangelism is to assist every WELS congregation with specific and ongoing guidance for evangelism planning, organization, and implementation of outreach strategies. The School of Outreach continues to be an important aspect of our work to help accomplish this objective.

From July 2015 through June 2017, a total of 18 workshops were conducted with participation by 99 congregations. Leaders from those congregations attended two one-day workshops that were scheduled several months apart. Attendees heard presentations on key components of a congregational evangelism program. Breakout sessions were held at which presenters worked with individual congregations, advising them regarding outreach plans and strategies. In the months following each of the workshops, those advisors were available to offer follow-up assistance specific to the needs of congregations. In that period of time, 39 advisors were involved with the program.

Originally, the School of Outreach was held at Wisconsin Lutheran Seminary, Mequon, Wis. Then congregations began hosting the program, and nearby congregations also attended. This “satellite” School of Outreach started in 1993, and since then a total of 223 workshops have been conducted.

WhatAboutJesus.com

This outreach website produced by the Commission on Evangelism continues to reach many people with God’s Word. New articles are posted on a regular basis. Daily Devotions appear on the home pages of wels.net and WhatAboutJesus.com as well as on the WELS Facebook page. On wels.net, individual devotions receive between 1,200 and 1,600 views on any given day. The WhatAboutJesus website received a total of 152,602 page views in 2016—about 60 percent of those visits via a mobile device or tablet. On WELS Facebook, the daily reach is between 10,000-15,000 people. Additionally, devotions are sent to about 10,500 e-mail subscribers every day.

Online evangelism courses

The WELS Commission on Evangelism is offering evangelism courses through the Martin Luther College online continuing education program. These evangelism courses are designed and intended for laypeople and called workers to help them lead their congregations with planning and implementing efforts to reach more people with the gospel. These courses make up the Evangelism Certificate Program at Martin Luther College. There are three one-credit courses: 1) The Mission of the Church, 2) Practical Evangelism for Congregations, and 3) Friendship Evangelism. Information is available at wels.net/evangelism.

Evangelism Day at Martin Luther College

The Commission on Evangelism partners with the faculty of Martin Luther College to enhance the evangelism training of students at the college. In January 2017 the twelfth annual evangelism day was conducted. The day for focusing on personal and congregational evangelism starts with a worship service and includes two workshops for each class and various “elective” presentations. More than 40 individuals including pastors, teachers, staff ministers, and lay members made presentations in 2017.

Telling the next generation

Telling the next generation is a new workshop developed by the Commission on Evangelism, the Commission on

Lutheran Schools, and Early Childhood Ministry. The program serves congregations with planning, assistance, and resources for implementation of outreach strategies utilizing a Lutheran elementary school and/or early childhood ministry. By June 2017, 12 of these special workshops were conducted in various districts of the synod, and more are being scheduled. Learn more at wels.net/tellingthenextgeneration.

A look ahead

School of Outreach

The Commission on Evangelism works closely with district evangelism coordinators to carry out the School of Outreach program. Our intent is to continue conducting the program annually at various locations in each district so that all congregations have an opportunity and are encouraged to attend.

District evangelism coordinators:

<i>Arizona-California</i>	Pastor Steven Hillmer
<i>Dakota-Montana</i>	Pastor Justin Cloute
<i>Michigan</i>	Pastor Norm Burger
<i>Minnesota</i>	Pastor Stephen Meyer
<i>North Atlantic</i>	Pastor Frederick Guldberg
<i>Nebraska</i>	Pastor Noah Bater
<i>Northern Wisconsin</i>	Pastor Michael Weigand
<i>Pacific Northwest</i>	Pastor Benjamin Workentine
<i>South Atlantic</i>	Pastor Jonathan Scharf
<i>South Central</i>	Pastor Paul Seager
<i>Southeastern Wisconsin</i>	Pastor David Pagel
<i>Western Wisconsin</i>	Pastor Joseph Fricke

New movie

The writing team and producer of the three movies *Road to Emmaus*; *Come Follow Me*; and *My Son, My Savior* are working on a fourth movie. The new movie will show fulfillment of Jesus' command at his ascension to be his witnesses and take the gospel "to the ends of the earth" (Acts 1:8). Production is planned in the latter half of 2017, and release of the movie is expected in 2018. A large grant was received from Church Mutual Insurance Company Foundation. Gifts from individuals and congregations along with budgetary funds rounded out funding for the movie.

Plans

Initiatives that the Commission on Evangelism is planning and working on include

- developing an "Evangelism Toolbox" of resource materials that may be used by congregations to augment the School of Outreach program and serve as a source for congregations that are participating in the program of the Commission on Congregational Counseling;
- assisting area Lutheran high schools with evangelism training;
- providing a vocational evangelism Bible study for use starting in fall 2017 in conjunction with Reformation 500;
- developing resources to help Christians in the area of apologetics; and
- helping congregations in rural settings with ideas and strategies for evangelism specific to their context of ministry.

Retirements

Mrs. Audrey Bluhm, secretary in the Evangelism office, will retire at the end of 2017 after 27 years of faithful service. Pastor Michael Hintz started his ministry as director of the Commission on Evangelism in 2002. He has announced his plans to retire on Dec. 31, 2017.

Rev. Michael Hintz, reporter

Rev. Donn Dobberstein, chairman
Rev. Jay Bickelhaupt
Rev. Joseph Fricke
Rev. Michael Geiger
Rev. Douglas Tomhave

Advisory:

Rev. Michael Hintz, director of WELS Commission on Evangelism

Commission on Special Ministries

Floor Committee #13

Our calling

The Commission on Special Ministries offers spiritual and practical guidance and training to congregations and individuals as they share God's love to those with needs or circumstances that prevent them from being served through the congregation's usual ministry.

WELS Special Ministries reaches out to individuals, congregations, and families to offer specialized services and resources to address the special need(s) with which they are confronted. We serve people who are physically, mentally, or emotionally in need of special assistance, affected by their ability to learn, worship, participate in local ministries and everyday living situations. Special Ministries also serves thousands of people who are away from their church home, such as military personnel, people living overseas, and those in prison or in some other institution.

The commission carries out this work via appointed committees focused on specific areas of special need, and district special ministries coordinators who bring our work to the district level.

While the commission is devoted to serving WELS members, our Lord continues to provide opportunities to also proclaim the gospel to people who are unchurched or have fallen away from their former church.

Our current situation

The Commission on Special Ministries employs three full-time called workers—the director of Special Ministries, a civilian chaplain to the military serving in Europe, and a prison ministry administrator. Our national civilian chaplain to the military serves part time. The positions of European civilian chaplain and prison ministry administrator are supported entirely by special gifts and grants. Under the direction and support of these and other leaders, the commission mobilizes thousands of unpaid volunteers in a worldwide effort to meet the spiritual needs of people who might otherwise be ignored or forgotten. The work of the commission, as well as that of its eight committees, is described in the following paragraphs.

Health and Wellness

The WELS Health and Wellness Committee encourages and assists WELS members and their congregations as they offer spiritual and other services in the following areas: ministry to aging; nursing and parish nursing; and hospital, nursing home, and assisted living ministries. The committee currently has a special concern for the needs of caregivers for those with long-term illness or disability.

The Health and Wellness Committee cooperates with several organizations:

The Organization of WELS Lutheran Seniors (OWLS) grew out of the committee's early involvement in ministry to the aging. Through involvement, fellowship, mutual support, life enrichment activities, and service to others, its members are encouraged and helped to serve as God calls them. Having originated with Special Ministries, OWLS also promotes and strongly supports WELS Special Ministries. The next OWLS Convention is scheduled for Pewaukee, Wis., Oct. 10–12, 2017.

Parish Nursing provides a practical way for congregations to demonstrate loving Christian care and a clear gospel witness to members and the community. For helpful guidelines on how to begin a program, contact the Special Ministries office, 414-256-3241.

The **WELS Nurses Association** provides a network to encourage WELS nurses in their vocation and to serve God's people. Their mission is to "work together as servants of Christ." Visit welsnurses.net or e-mail welsnurses@wels.net.

WELS Chaplain Certification is a continuing education initiative that involves cooperation of leaders from several Special Ministries divisions and Martin Luther College (MLC), New Ulm, Minn. In an era of growing security in institutions, it will become increasingly difficult for local pastors to minister in prisons, military bases, and large health care facilities. Chaplain certification and ecclesiastical endorsement will be increasingly necessary, especially if a pastor or layperson wants to reach out to more than one's own members. Online courses are being coordinated

through MLC. Costs for the program are the responsibility of the student; we encourage churches and other calling bodies to include funds in their continuing education budget for this purpose. We are seeking grants to provide scholarship assistance where necessary. Please visit wels.net/chaplain-certification-program for more information.

Pastor Robert Dick is the chairman of the Chaplain Certification Program Committee. Contact him at chaplaincert@wels.net. Applications for the program are received by the Chaplain Certification Committee through the Commission on Special Ministries' office.

For more information on the work of the Health and Wellness Committee, contact Pastor Jonathan Semro, chairman, at jms@popcopperfield.org.

Military Services

The WELS Military Services Committee provides spiritual services to WELS members and others who serve in the U.S. Armed Forces. The committee carries out its mission through a full-time civilian chaplain in Europe and a national civilian chaplain and liaison to the military who coordinates stateside ministry and communicates with WELS members who are deployed in military service.

Civilian Chaplain Don Stuppy serves hundreds of military personnel and civilians in Europe. He and his wife, Marge, live in Spiesheim, Germany (near Mainz and Frankfurt). Besides worship services, Stuppy conducts retreats at Reformation and Easter. Stuppy replaced Pastor Joshua Martin, who was called to St. John, Jefferson, Wis., after nine years of faithful service as the European civilian chaplain.

As WELS national civilian chaplain and liaison to the military, Pastor Paul Ziemer maintains regular contact with many WELS troops and their families. He coordinates training conferences for WELS military contact pastors and orients and mentors new military contact pastors.

One hundred twenty-five WELS pastors who live near military installations in the continental United States and select nations overseas stand ready to serve our military personnel and their families as part-time WELS civilian chaplains.

In this era of electronic communication, the Military Services Committee has discontinued its "ministry by mail" for those in military service, except to send free copies of *Meditations* to military and overseas civilians on our mailing list. We communicate with WELS military personnel via the Internet and offer devotions at wels.net/military-devotions.

In the past biennium, a new partner for WELS and the Evangelical Lutheran Synod (ELS) military ministry has begun to make a significant impact on our planning and funding—the Lutheran Military Support Group (LMSG), a parasynodical organization of WELS and ELS veterans and active duty personnel. The LMSG is dedicated to strengthening ministry to our military members and their families, as well as to veterans. In the short time that the LMSG has existed, our military ministry overseas (the Pacific and Europe) has been strengthened, support of our military contact pastors has been enhanced, and our avenues for assisting where our chaplains cannot travel are expanding.

WELS Military Services is funded primarily through designated gifts and grants. With two called workers serving as chaplains and our church's commitment to directly serving our people in the military instead of through U.S. military chaplaincy, we pray that this work may continue to have its synodical funding restored. A previous WELS convention restored a subsidy of \$30,000. Offerings from individuals and groups such as OWLS and the LMSG continue to flow into the Military Service Special Project Fund. The Synodical Council has indicated that \$50,000 more for Military Services is a current unfunded priority.

The Military Services Committee believes that the number of WELS members in the military exceeds 1,500. Despite emphasis this past year on the need to provide the names and contact information for our men and women in uniform, the referral rate is less than 20 percent of that number. Please help us serve our military personnel and WELS members living in Europe. Send the names and contact information for those serving in the military or living in Europe. Convention delegates are urged to stop by the Military Services display and pick up a referral poster and ask the churches in their circuits to use the WELS referral link to provide Military Services with the names of every WELS member serving in our nation's military.

Our online referral service is readily available at wels.net/refer. Or you may mail the information to Special Ministries, N16W23377 Stone Ridge Dr, Waukesha WI 53188.

For more information, contact Pastor Paul Horn, chairman, at revhorn2004@gmail.com.

Prison Ministry

WELS Prison Ministry administers an extensive ministry-by-mail program and provides training opportunities for laypeople and pastors who would like to begin a local jail or prison ministry.

Through a central office in New Ulm, Minn., a small staff utilizes the services of hundreds of volunteers to manage a ministry-by-mail program that has reached more than 70,000 inmates. (An additional 30,000 inmates use our materials distributed through other ministries). The rate of response to our materials is high. Eighty-three percent of our Bible study course books that are given out produce a response from an inmate. Volunteers prepare regular mailings, correct Bible correspondence tests, and serve as pen pals to inmates. We serve 1,500 correctional facilities nationwide.

Partnering with the Wisconsin-based parasynodical organization Institutional Ministries, WELS Prison Ministry equips individuals and congregations for local jail and/or prison ministry through its Jail Ministry Training Team. After initial training, the team offers supplemental training via online courses, occasional visits, and teleconferences. The Jail Ministry Training Team has trained hundreds of lay volunteers and called workers from congregations in 10 of the 12 WELS districts. This effort has been largely funded by grants.

WELS Prison Ministry and Institutional Ministries continue to seek out men and women for face-to-face jail and prison ministry. We identify and recruit laypeople to bring the gospel to inmates in local institutions. More than 400 lay volunteers have been trained to do face-to-face ministry in a local jail/prison throughout the United States. Additional training continues in areas of interest. This effort has been largely funded by generous grants.

WELS Prison Ministry continues to be a popular Bible study choice for prisoners, with our 22 Level 1 Bible correspondence courses (and more being written) and 15 Level 2 publications. New publications are two Level 1 studies, one on the story of David, called "Overcoming the Guilt of Sin," and the other on the book of Job as well as a Level 2 book on Psalm 23 entitled "The Lord Cares for Me," told in narrative style with a story to apply each verse. We share all our books with Multi-Language Publications to be revised for use in other languages and settings. It is hoped that this partnership will continue to produce many more books useful for prison ministry as well as mission work. Almost all jail and prison ministry resources are available free of charge from WELS Prison Ministry.

For more information, contact Mr. Brad Price, administrator of WELS Prison Ministry, at prisonministry@wels.net, 507-354-3130, or P.O. Box 452, New Ulm MN 56073.

Intellectual and Developmental Disabilities Ministry

The Intellectual and Developmental Disabilities Ministry promotes and encourages active participation in ministry to people with special needs in our synod. The ministry develops resources and provides information to parents, caregivers, children, adults, pastors, teachers, and congregations about education programs, mentoring networks, support groups, and printed and digital materials.

To access these supports, visit wels.net/iddm. Sample resources include

- "Pastors: Your Piece of the Autism Puzzle," information to assist with pastoral care;
- a webinar, "Overcoming Seven Hurdles Parents Face in Establishing a Special Needs Trust;"
- "He Cares, We Care," spiritual material and crafts mailed on a regular basis to people with intellectual or developmental disabilities upon request (call 414-256-3241 or submit names at wels.net/refer); and
- "Guidelines for Establishing a Parent Special Needs Support Network," a manual designed for congregations to use in serving parents in their congregation and reaching out to others in their community.

This ministry works with Jesus Cares Ministries, a program of The Lutheran Home Association, with resources for Bible study, worship, and socialization needs for people with intellectual or developmental disabilities.

Currently, the ministry is forming a team of WELS members, both those with a developmental disability and those who are family members. This team will promote participation of people with intellectual or developmental disabilities in the life of the congregation.

For more information, contact Teacher Thomas Heuer, chairman, at tgheuer8450@gmail.com.

Mission for the Deaf and Hard of Hearing

The WELS Mission for the Deaf and Hard of Hearing seeks to help congregations share the gospel of Jesus Christ with members of WELS and others who are deaf or hard of hearing. One in three people over 65 years of age and one in two

over the age of 80 have a hearing loss. These percentages are also true for WELS churches and the communities they serve. Addressing the needs of these individuals will improve gospel ministry in worship services and Bible classes.

The Mission for the Deaf and Hard of Hearing offers training and resources for ministry to deaf and hard of hearing people. New technology, such as installing a hearing loop in a worship area or classroom, makes a speaker's voice clearer for people with hearing aids. The availability of real-time video on smartphones and tablets makes it possible for congregations and pastors to use the communication services of an interpreter without the physical presence of that interpreter. A new online Martin Luther College course on American Sign Language has met with enthusiastic praise of students who have participated.

For more information, contact Pastor Robin Robbert, chairman, at mdhh@wels.net.

Mission for the Visually Impaired

The Mission for the Visually Impaired helps people who are unable to read normal-sized print, whether they are blind or have impaired eyesight. Much of the work is done by volunteers at the headquarters in St. Paul, Minn. The mission produces devotional and other materials in Braille, large print, and on cassette tape. These materials are distributed free throughout the world to WELS and non-WELS visually impaired people. The mission provides many blind people in Africa with spiritual materials in Braille and on cassette.

Internet and other digital technologies are opening doors for ministry to people with visual impairment, and the Mission for the Visually Impaired has begun the process of getting their resources available in ways that work with the new technology. Our resource catalog of Braille, large print, and audio materials is now available at wels.net/mvi.

To order materials or to learn more about this ministry, contact WELS Mission for the Visually Impaired, 651-291-1536, or 375 Bridgepoint Dr, South St. Paul MN 55075-2466.

For more information, contact Mr. Bill Bremel, chairman, at welsvimp@wels.net.

Care Committee for Called Workers

The Care Committee for Called Workers exists to assist WELS calling bodies in the spiritual, physical, intellectual, and emotional care of their called workers. The committee functions by providing congregations and other organizations with called workers with resources and guidance for supporting called workers and their families, encouraging workers in their ministries, and enhancing their quality of life.

The committee provides a free resource, "Care to Care," which includes printed study materials that provide more detailed information about Care Committee work, including how to start a Care Committee; suggestions for the types of questions to ask during the visits; and suggestions for activities that the committee can carry out. A "Care to Care" video (online or DVD format) provides a general overview of the purpose of the local care committee and portrayals of the three types of visits (entrance, annual, and transition) for which the local Care Committee is responsible.

This past year the committee has published resources for congregations to help their called workers plan for retirement. Care Committee materials can be found at csm.welsrc.net/called-worker-care.

For more information, contact Mr. Kurt Holzhueter, chairman, at kpholz@juno.com.

Committee on Mental Health Needs

The Committee on Mental Health Needs assists WELS congregations, institutions, called workers, and lay members as they minister to one another in love, especially to those who are experiencing mental health needs.

Mental health needs are often addressed by professional counselors. This committee helps congregations and individuals find or provide the care needed. The committee has developed brochures (also available in digital form) that are helpful for members of WELS as they seek to find a therapist, interview a therapist, and understand therapist language.

The WELS/ELS Christian Therapist Network has constructed a website that contains a listing of therapists in fellowship with WELS and the Evangelical Lutheran Synod (ELS) throughout the nation. Visit christiantherapistnetwork.com. The committee also works closely with WLCFS—Christian Family Solutions, which now offers video counseling so that WELS/ELS members who do not live near a counselor of our faith may still receive professional Christian counseling. Our counselors often work with local pastors to help members.

Conquerors through Christ is a committee that helps Christians who struggle with the temptations of pornography, a growing problem now that the Internet brings such temptations to the privacy of a computer or mobile phone. Their

website, conquerorsthroughchrist.net, has already been effective in bringing people to seek help from their pastors or professional counselors. A Bible study, "Bought at a Price," and downloadable e-books that provide parenting resources can also be found on that website.

Freedom for the Captives is a committee that is developing materials and training to improve the ability of our churches to address the needs of abused children and adult survivors of abuse in our congregations and communities. Materials are available at freedomforcaptives.com. To better prepare our called workers to address the sin of child abuse, all students in the pastor or teacher tracks at Martin Luther College receive several hours of training in recognizing and responding to cases of child abuse. Additional training is provided to students attending Wisconsin Lutheran Seminary.

A look ahead

The Lord is blessing the work of Special Ministries as the number of lay volunteers continues to grow and as our resources for ministry become more easily accessible via the Internet. The resources that we have developed for one field of Special Ministry are finding applications in other areas of the ministry and in missions.

Special Ministries accepts the challenge and privilege of training and equipping the many men and women who are passionate about ministry to the "least of these." Much of this work is done by volunteers or by called workers assuming extra duties without pay. In the next biennium, such programs as chaplain certification, jail ministry team training, and military contact pastor conferences will equip and strengthen those whom the Lord is calling to serve. We plan to expand Internet resources for families of those with intellectual or developmental disabilities, addictions, and mental health needs. Under God's blessing, WELS members who serve as nurses and those who are training for that vocation will find increasing support and encouragement through the WELS Nurses Association.

We will need even more creative, talented, and dedicated laypeople as well as pastors, teachers, and staff ministers to selflessly devote their time to developing materials and training others to bring the gospel to those who cannot access it through the usual congregational channels. Our work will require closer cooperation with the many WELS organizations that have sprung up to carry out the work not funded in the WELS budget. The leaders of our special ministries will also need to increase their attention to communicating the financial needs of Special Ministries for the sake of financial support by interested Christians and organizations.

All this ministry is in the hands of Christ, the head of the Church, who has shown that he has all authority in heaven and earth. He goes before us in our labors, creating opportunities and blessing the gospel, whether shared in a military contact pastor's living room or via sign language in a Sunday morning worship service. The prisoner and the Christian struggling with depression are finding that the Lord has compassion on them. We know that the Lord will hear our prayer, "Your kingdom come!" Our calling is to go into all the world. Join us in sharing the love of Christ our Savior in the forgotten parts of our communities.

For more information on any or all of the areas of Special Ministries, visit wels.net/special-ministries or contact Pastor Jim Behringer, director of the commission, at 414-256-3240 or jim.behringer@wels.net.

Action items

Call to action: Let us work toward restoring support of civilian chaplaincy to the military in the synodical budget.

The Synodical Council has listed \$50,000 for Military Services as #7 on the Unfunded Priority List in its report to this convention (see p. 79). In view of WELS' rejection of U.S. military chaplaincy, funding the called civilian chaplains who serve WELS military personnel would seem to be an obligation for our church body. Grants from foundations no longer contribute to this ministry. Generous giving by active duty military personnel and veterans, as well as support from the Organization of WELS Lutheran Seniors and the Lutheran Military Support Group, sustain this ministry. Currently the WELS ministry plan funds \$30,000 toward the \$200,000 cost of our ministry to the military. The proposed ministry plan includes an additional \$30,000 to be divided between Military Services and WELS Prison Ministry. We urge that future WELS ministry plans continue to restore support of civilian chaplaincy to the military in the synodical budget.

Call to action: Let us work toward restoring support of prison ministry in the synodical budget.

The Synodical Council has listed \$50,000 for WELS Prison Ministry as #9 on the Unfunded Priority List in its report to this convention (see p. 79). Its outreach efforts far exceed the amount of incarcerated WELS members who receive

its spiritual resources. Prison Ministry continues to receive support from the Schwan Foundation and the Antioch II Foundation, though in smaller grants than in the past. The WELS ministry plan does not currently fund any of the work done by Prison Ministry's called administrator, staff, and volunteers. The proposed ministry plan includes an additional \$30,000 annually to be divided between WELS Prison Ministry and Military Services. We urge that future WELS ministry plans continue to restore support of prison ministry in the synodical budget.

Rev. Jim Behringer, reporter

Rev. Joel Gaertner, chairman

Rev. Paul Horn, vice chairman and chairman of the Military Services Committee

Mr. Leon Brands, chairman of the Prison Ministry Committee

Mr. Bill Bremel, chairman of the Mission for the Visually Impaired

Mr. Thomas Heuer, chairman of the Intellectual and Developmental Disabilities Committee

Mr. Kurt Holzhuetter, chairman of the Care Committee for Called Workers

Rev. Robin Robbert, chairman of the Mission for the Deaf and Hard of Hearing

Prof. John Schuetze, chairman of the Committee on Mental Health Needs

Rev. Jonathan Semro, chairman of the Health and Wellness Committee

Advisory:

Rev. Jim Behringer, director of WELS Commission on Special Ministries

Mr. Brad Price, administrator of WELS Prison Ministry

Commission on Adult Discipleship

Floor Committee #13

Our calling

God calls his people to "grow in the grace and knowledge of our Lord and Savior Jesus Christ" (2 Peter 3:18). Our WELS Commission on Adult Discipleship (CAD) assists congregations and called workers in helping individuals grow in their relationship with Jesus and become better equipped to use their unique gifts to bring Christ's love and the gospel message into all their daily relationships and activities.

The work of Adult Discipleship spans most of the stated WELS objectives:

1. To uphold and testify to the truth of God as fully revealed in the inspired, inerrant, infallible Holy Scriptures and articulated in the Lutheran confessions, and to use Scripture as the sole authority.
2. To foster a sense of urgency for the lost and to seize every opportunity the Lord provides to evangelize lost souls.
3. To establish churches where Christians help each other grow and mature in the faith through public worship and a lifelong study of the Word of God.
4. To encourage and equip each other for the application of our faith, reflecting Christ's love in lives of Christian service to the Lord, his Church, and his world.
5. To mobilize our people, as members of the universal priesthood, in ministry using the Word.
6. To recruit and train candidates qualified for public ministry and provide for their continuing education so that the Word of God is proclaimed faithfully and effectively in accord with the Lutheran Confessions.

Spiritual growth is "job number one" and the soul of our work. We will not be satisfied with anything but the best efforts at sharing God's truth. Our desire for excellence in the ministry of the Word leads us to encourage one another to continue to grow spiritually by regular study of the Word in an individual, personal way and also in a formal, organized way.

Our current situation

The Commission on Adult Discipleship is grateful for the faithful service of commission members who have dedicated countless hours of service to the Lord and his people. It is a tremendous joy to serve with Christ-centered, gospel-

motivated individuals who seek to hold out the Word of life to people in our world today. We are truly humbled by the faithful service and dedication of so many who serve under the Commission on Adult Discipleship. Thank you!

The Conference of Presidents has called a director of discipleship who will oversee the Commission on Adult Discipleship and the Commission on Youth and Family Ministry. We pray that the Lord will lead the right man to serve in this position very soon.

During the past two years, the Commission on Adult Discipleship has focused its attention on three areas of ministry: marriage enrichment, Interactive Faith Bible studies, and women's ministry.

Marriage enrichment

WELS is not the only group interested in marriage. Resources for marriage abound—both from secular and Christian sources. Some are practical but not spiritual. Some are spiritual but not practical. The WELS Commission on Adult Discipleship offers a uniquely practical Lutheran resource that focuses on law and gospel, sin and grace and teaches best practices for living together in marriage. This resource, WELS Marriage Enrichment and Getaway Weekends, strengthens the faith and marriages of members and non-members, including pastors and their wives, and provides pastors a faithful, practical Lutheran resource to use in their congregations.

In the past two years we have taught WELS Marriage Enrichment and Getaway Weekends in 16 locations from Alaska to Texas and from Washington, D.C., to California, and many points in between. The participants, from 30 couples to 100 couples at each event, have been confronted with their need for Jesus, comforted by his presence on earth 2,000 years ago and his presence now in the means of grace, and have learned skills to help them in areas like communication, conflict management, trust-building, intimacy, financial management, and more. We launched two new weekend experiences in the past two years: Richer Marriage and Healthy Marriage. Each weekend experience is unique and includes about 8 hours of teaching from Friday night through Sunday morning. Pastors who attend with their wives receive the digital resources to use in their congregations. Many congregations pay for their pastor and his wife to attend as part of his on-the-job training and consider it a bargain for the kind of resource they receive.

We have also launched an initiative called Marriage-Building Churches. Thanks to a grant from the Antioch Foundation, we helped lay leaders from six different areas consider what it would mean for their churches to become known in their communities as marriage-building churches. The result is a small, lay-led movement; some churches will do some things, which they themselves will determine. This isn't fast and it isn't a top-down program; it's setting leaders free to teach the gospel through marriage ministry and then to help them share their successes and challenges with each other.

Interactive Faith Bible studies

The Commission on Adult Discipleship offers two live Internet Bible studies per year. The goal of these studies is to unite members of our synod together for a study on God's Word. These studies are not meant to replace the faithfulness of our pastors and teachers and lay leaders in our congregations. They are intended to give another option to God's people for encouragement. Whether you live in a bustling city or on the plains, we are in this world together with the same purpose—to reach more people with the precious, life-changing Word of God. It is through God's Word that Jesus connects people to himself for life in this world and for eternal life in heaven.

During the past two years, the Commission on Adult Discipleship has offered four Interactive Faith Bible studies. Prof. Keith Wessel led a study on Elisha in fall 2015. Pastor Gary Pufahl led a study entitled "Who is your God?" in winter 2016. Pastor John Braun led a study entitled "What does this mean—the continuing significance of Luther's Small Catechism" in fall 2016. Pastor Randy Hunter completed a study entitled "Enriching marriage" in winter 2017.

All of our past studies are archived at wels.net/adult-discipleship. You or your congregation can use them for studies in your settings.

Women's ministry

In July 2016, the WELS Women's Ministry Committee held an exceptionally successful conference on the topic of mentoring. We were blessed with more than 350 people in attendance, and we have received an interest from a number of areas of the United States and Canada to take the material "on the road." Ladies in Ottawa, Ontario, Canada, and Arizona will be the first to host these mini-conferences, and several additional groups are also interested.

An abridged version of the “Heirs Together” Bible study is in the final review process and, God-willing, will be released this summer through Northwestern Publishing House. The purpose of this shortened version is to provide material for the study of God’s plan for men and women working together in this world that is structured for a Sunday morning Bible class setting. The third edition of the full study will also be available in the summer of 2017. New material addresses God’s calling of head and helper as it applies outside of the church and home.

A look ahead

It is our prayer that very soon a director of discipleship will oversee the ministries of Adult Discipleship and Youth and Family. This director will work in a partnership under the WELS Congregation and Ministry Support Group (CMSG). He will coordinate training events and facilitate resources to assist congregations and called workers to help individuals grow in their relationship with Jesus. Some areas in which we are looking to expand include small group ministries, resources to help Christians witness for Jesus, and enrichments for marriage. It is exciting for us to work toward the entire Congregation and Ministry Support Group working as one unit for God’s people.

Marriage enrichment

In the next two years we will teach 16 different WELS Marriage Enrichment and Getaway Weekends throughout the United States and Canada. Normally, districts can expect to host an event every other year, although more expansive districts may host one annually in different “ends” of the district. Locations for the second half of 2017 include Phoenix, Ariz.; Orlando, Fla.; Napa Valley, Calif.; and Deadwood, S.D. In 2018, look for WELS Marriage Enrichment and Getaway Weekends in Michigan, Texas, Oregon, California, South Carolina, Northern Wisconsin, and Toronto, Ontario, Canada. If you have suggestions for venues (we strive for affordable, memorable, romantic, and functional), please contact us. Online registration and more information are available at wels.net/adult-discipleship.

As congregations test their strategies for being “Marriage-Building Churches,” we will make their resources available via wels.net. We aren’t so much developing a program as we will be providing church leaders with ideas and strategies for marriage building in their gospel ministry.

We could do more—individual follow up, help for pastors to use the resource locally, smaller and more regional events, etc. For now, Pastor Randy Hunter will continue to write our new teaching events, produce the class materials, and teach the live events. Thanks to our event planner, Ms. Tammy Heckendorf, and to Ms. Laura Schulz at the WELS Center for Mission and Ministry for her administrative help.

Marriage is on everyone’s mind, and Jesus taught us how to use it to proclaim the gospel. Please pray for our efforts to help his people bring glory to God and joy to each other through Christian marriage.

Interactive Faith Bible studies

We have two Interactive Faith Bible studies scheduled for the upcoming year. The studies are on Wednesdays at 6:00 p.m. and 8:00 p.m. CST.

Prof. Joel Otto from Wisconsin Lutheran Seminary will lead a study entitled “Luther’s lasting impact.” It will take place Oct. 4, 2017, through Nov. 8, 2017. Prof. Otto writes, “Luther’s Reformation led to profound developments that impacted the church and how people learn, confess, and live their faith. As Lutherans living in the 21st century, what Luther brought about is still part of who we are as Christians and as a church. This study will examine those developments that continue to have a lasting impact.” The sessions will focus on the certainty of salvation, the Bible in the language of the people, the Small Catechism and Lutheran education, the singing church, the elevation of the ordinary life, and the Lutheran pastor.

Pastor Daniel Habben will lead a study entitled “Isaiah: God confronts and comforts his people.” It will take place Jan. 10, 2018, through Feb. 7, 2018. Pastor Habben writes, “‘A virgin will be with child . . . and he was pierced for our transgressions.’ Seven hundred years before the arrival of God’s Son into our world, the Holy Spirit worked especially hard through the prophet Isaiah to get the people of his day to turn from their sin and embrace their Savior-God. Through the words of Isaiah, God still confronts and comforts his people. Find out how in this study of the first twelve chapters of the Old Testament book of Isaiah.”

Women’s ministry

Our Women’s Ministry Committee is investigating new and better ways to reach the women of WELS so that we are better equipped to nurture and encourage spiritual growth and lives of service to God’s glory. New Bible studies,

devotionals, support for women's retreats, and other materials continue to be added to wels.net/women. Plans for the next women's conference, to be held in the summer of 2019, are underway.

Small group Bible study resources

One of our goals for the next couple years is to offer biblically solid small group Bible study materials. We are looking to gather resources from WELS pastors and make them available on our WELS website. Look for more information in the near future.

Rev. Gary Pufahl, reporter

Rev. Gary Pufahl, chairman

Rev. Jonathan Bergemann

Rev. Aaron Boehm

Rev. John Vieths

Rev. David Wenzel

Advisory:

Prof. Stephen Geiger, Wisconsin Lutheran Seminary

Rev. Ray Schumacher, Northwestern Publishing House

Prof. Ross Stelljes, Martin Luther College

Commission on Youth and Family Ministry

Floor Committee #13

Our calling

The mission of the Commission on Youth and Family Ministry is to help and encourage parents and congregations as they teach and instruct children about Jesus Christ—the one who has conquered all our enemies and removes all our fears. The work of Youth and Family Ministry is to provide materials and encouragement for children from birth through college to encourage them that the Lord is the stronghold of their lives.

Our current situation

Full-time director of discipleship

The Synodical Council, at its February 2017 meeting, approved a ministry financial plan that included the calling of a director of discipleship who will oversee the Commission on Youth and Family Ministry and the Commission on Adult Discipleship. At a time in our synod's history when many congregations are struggling with retention of youth and keeping their families growing in the faith, this position will play an important role in both identifying areas of weakness and providing materials and resources able to assist individuals, families, churches, and schools in their faith journeys.

WELS International Youth Rally

Youth and Family Ministry hosted the WELS International Youth Rally at Colorado State University in Fort Collins, Colo., in June 2016. The theme of the rally was "Our God Reigns," which was based on Psalm 52. More than 2,500 teens and adult chaperones attended the rally. From worship to international speakers, bands to comedy, food to recreational fields, from workshops to excursions and simply enjoying the beauty of God's creation, the rally filled four days and three nights of celebrating our oneness in faith and ministry.

Transformed: Schools of Youth and Family

The initial roll out for the Transformed: Schools of Youth and Family was introduced at the 2016 youth rally. This eight-workshop video program assists congregations in being intentional about drawing youth into active participation within the church. Dedicated personnel has been secured to build more curriculum and resources into the online resource center of the program as new books, videos, and ideas to connect youth to Christ continue to be discovered.

Transformed: Devotions connecting teens to Christ

The Commission on Youth and Family Ministry recognizes the constant challenges that our teens face in attempting to stand firm in faith and growing in that faith they hold so dear. In an attempt to aid our teens in overcoming this struggle, since January 2016 the commission has offered a weekly online devotional series titled *Transformed: Devotions connecting teens to Christ*. These devotions can be found at wels.net/transformed, or individuals can sign up to have them sent directly to an e-mail inbox.

Kids Connection

For more than 20 years, teenage hosts have introduced grade-school-aged children to other people who have served our gracious God and stayed connected to Jesus in their lives and ministries. Pastor Tony Schultz of St. Luke's, Watertown, Wis., continues in his role by giving encouraging devotions at the end of every segment to help strengthen the faith of viewers. It is our continued prayer that *Kids Connection* and the gospel it shares will encourage viewers to stay connected to each other, to others in WELS, and, most importantly, to Jesus.

A look ahead

The Commission on Youth and Family Ministry continues to look for ways to serve our youth as we look forward to an exciting future. We have begun planning for another international rally to be held in the summer of 2018. Youth and Family Ministry is working together with the Commission on Adult Discipleship to help transition to a full-time director of discipleship and aid this new director in his important work. In addition, we continue to support the work being done with *Transformed: Devotions connecting kids to Christ*, *Kids Connection*, and *Transformed: Schools of Youth and Family*. We are confident that our gracious Lord will continue to bless the children and families of our congregations as we together fearlessly carry out our synod's theme, "Christ's Love, Our Calling."

Rev. John Boggs, reporter

Rev. John Boggs, chairman

Rev. Paul Schupmann

Rev. Andrew Schwartz

Rev. Snowden Sims

Mr. Ben Washburn

Advisory:

Rev. Raymond Schumacher, Northwestern Publishing House

Prof. David Sellnow, Martin Luther College

Prof. Thomas Kock, Wisconsin Lutheran Seminary

Commission on Lutheran Schools Floor Committee #14

Our calling

God's command to us as Christians is clear: "Let the little children come to me, and do not hinder them, for the Kingdom of God belongs to such as these" (Luke 18:16). The mission statement of the Commission on Lutheran Schools (CLS) is also clear: "to guide and assist congregations in advancing the gospel of Jesus by providing resources, training, and personal assistance for starting and strengthening Lutheran schools." It is with these two statements in mind that the CLS works to serve our synod's early childhood ministries (392); Lutheran elementary schools (301); area Lutheran high schools (25); and preparatory schools (2). The CLS helps our congregations and schools welcome more than 41,000 children and young adults into the Savior's waiting arms through our schools' outreaching and nurturing ministries.

Our current situation

The CLS has provided resources, training, and personal assistance in a wide variety of ways:

- Consulting with principals, directors, teachers, and schools and congregational leaders

- Supporting the 12 district presidents in providing about 600 teacher call lists per year and assisting with school-related blessings, challenges, and opportunities as requested
- Maintaining school called worker and school statistical data
- Attending teachers' conferences and conducting school visits throughout the synod
- Publishing a weekly electronic news bulletin—the "CLS e-News"
- Providing support and mentoring programs for newly assigned principals and early childhood directors
- Training consultants to support congregations with our children's ministries
- Coordinating cost-effective options for formative and summative testing products to assess our students' progress and provide tools for modifying instruction to improve learning
- Representing WELS schools to the general public through interaction with the National Council on Private School Accreditation, the Council for American Private Education, the United States Department of Non-Public Education, and various other state and national education agencies and organizations
- Developing and maintaining partnerships with the district schools coordinators, early childhood district coordinators, Northwestern Publishing House, Martin Luther College, and many others to provide resources to strengthen the instruction, materials, and curriculum within our schools (a list of resource partners is on the CLS website)

Lutheran school enrollment trends

STUDENT ENROLLMENT GROWTH/DECLINE—10 YEARS

School type	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17
ECM	9,567	9,823	9,600	10,019	10,717	10,423	10,694	10,595	10,911	10,754
LES	25,712	25,289	24,597	24,300	24,644	24,254	24,245	24,453	24,410	24,335
LHS	5,847	5,816	5,510	5,577	5,303	5,123	5,141	5,093	5,174	5,320
PHS	554	529	558	558	583	668	682	675	643	645

Annually the CLS office collects data from each of the schools. For a variety of reasons, including an upgrade to the statistical form by WELS technology, 100 percent of our area Lutheran high schools, 91 percent of our Lutheran elementary schools, and 84 percent of our early childhood ministries updated their school statistics this past fall. Based on that, the new data combined with the older data of those who did not report, we can point out that overall student enrollment has had minimal overall variation over the past several years, even as some of our smaller Lutheran elementary schools have closed. Early childhood and area Lutheran high school enrollment has also remained steady. Lutheran elementary schools have experienced growth in urban and outreach locations, particularly in Milwaukee and the South Atlantic District but have seen decline in many small towns and rural communities in the Midwest. Rising operational costs and demographic changes are two of many societal changes that have challenged congregations seeking to maintain Lutheran schools. Conversely, the growing number of programs across the nation that support parents who choose to enroll children in our schools has certainly opened numerous opportunities.

A recent study of teacher data revealed that 39 percent of WELS called teachers are over the age of fifty. Ninety called teachers announced their resignation or retirement during the period of Sept. 1, 2016–March 1, 2017. As our pool of teachers decreases, the needs and opportunities continue to grow. Teachers able to speak or teach Spanish, play organ, and those with the ability to serve in early childhood, urban, and outreach locations are needed.

Early childhood ministries

"We will tell the next generation the praiseworthy deeds of the LORD, his power, and the wonders he has done" (Psalm 78:4).

This verse reminds us so clearly of the mission of WELS early childhood ministries. As approximately 11,000 children are entrusted to our care, we seek to share the precious gospel with each of them and their families. The Commission on Lutheran Schools provides support and resources for congregations either considering an early childhood ministry or ones who have an existing ministry. Through the renewed efforts to train additional consultants, the number of congregations provided onsite support continues to grow. To support those who serve as directors, teachers, and aides, resources continue to be updated or developed. These include weekly online devotions for those who serve in early childhood ministries, support for newly assigned directors through the Director Apprentice mentoring program, the Leadership Candidate Training cohort, documents that include outreach and harvest strategies, and promotion of *Building Blocks: A Handbook for Beginning and Operating a Christian Early Childhood Ministry*. Early childhood district coordinators continue to develop and share resources and provide consultation and support for congregations and early childhood ministries in each of the districts.

In 2016, a task force was assembled to respond to the resolution brought to the 2015 synod convention by the Ad Hoc Commission 2. An update on their work follows at the end of this Commission on Lutheran Schools report (p. 70).

WELS School Accreditation

Currently 119 schools are accredited through WELS School Accreditation (WELSSA), and this number continues to grow. During the 2016–17 school year, 32 schools hosted a site visit. Of those, 9 are seeking first-time accreditation, and 23 are renewals. Plans are already underway to secure site teams for more than 25 schools during the 2017–2018 school year. Elementary schools also maintaining a preschool may include their preschools in the accreditation process by including the 3K/4K addendum standards in their self-study. The addendum process allows the K-8 accreditation to be expanded to 3K-8 or 4K-8 accreditation status. WELSSA has expanded the use of electronic standard tracking tools, which have allowed for many of the reaccreditation visits to be completed over a two-day period. More than 100 site team captains, team members, and consultants are available to assist schools seeking to make use of this ministry tool for school evaluation and self-improvement. WELSSA currently has accredited schools in 14 states across the nation, involving nearly 16,000 students. Teacher Tom Plitzuweit serves as the executive director of WELSSA.

School consulting services

Lutheran Schools has trained more than 50 consultants who are available to assist congregations that are seeking to start or expand a children's ministry, experiencing struggles in their current school or early childhood center, or desiring support from Lutheran Schools as a complement to a Commission on Congregational Counseling visit. Trained consultants are available in each district or region to provide timely, effective, and affordable support. Congregations needing school consulting services can contact Lutheran Schools to set up an initial meeting and discuss which consultation service is best for their ministry.

WELS student testing program

Results from annual summative or incremental formative tests serve as a tool for teachers and schools in evaluating student learning and informing instructional practice. A task force of Lutheran Schools recently studied cost-effective ways to support both formative and summative testing options for our schools. For many years one testing platform endorsed and supported by Lutheran Schools had been used by most of our schools. As expectations of states, federations, and communities vary across the country, it was determined that simply offering one platform of testing was not the best option now. Lutheran Schools determined to pursue products that offered choices, allowing schools to select the product that assists them in supporting their efforts of positioning their students and schools in the best position for success.

Telling the next generation: Utilizing our schools for outreach

The Commission on Evangelism and the Commission on Lutheran Schools are jointly offering a new, one-day school of outreach seminar focused on effective outreach practices for WELS schools. The six-hour program is designed for pastors, principals, early childhood directors, and church and school lay leaders of the congregation to gather for interactive presentations on maintaining a Christ-centered mission, the critical role of relationships, and a planned and effective harvest strategy. Each ministry team is also provided with an advisor to consult with in the months following the seminar. To date, workshops have been offered in Florida, all three Wisconsin districts, Michigan, Minnesota, California, Texas, and Ohio. For more information about hosting or attending a workshop, contact either lutheranschools@wels.net or evangelism@wels.net

A look ahead

National conferences

Lutheran Schools and WELS Technology are currently in the planning stages to offer a national leadership and technology conference in the summer of 2019. The conference will be designed for pastors, teachers, and lay members of congregations involved in leadership or in seeking to make effective use of technology in ministry. Watch for further details in the months ahead.

A critical need for school leaders

Double-digit vacancies for both principals and early childhood directors in each of the past few years has Lutheran Schools supporting options to provide training for new or future leaders. Martin Luther College (MLC), New Ulm, Minn., provides excellent training for our newly called teachers. Unfortunately, many of the trained teachers are assigned to principal or director positions for which they have had limited or no training. What follows is a description of current and future programs and plans for preparing school leaders.

Principal Apprentice and Director Apprentice Mentoring is designed to support those new teachers who are also assigned to the position of principal or early childhood director. The assigned new teacher is considered an apprentice and is mentored and provided some training by Lutheran Schools for the first two years of ministry. Congregations are assessed \$1,000 per year for this service. We are thankful for the grants that have provided for a great deal of the funding of this program as costs are close to double what is charged congregations. This program will move into the biennium without grants to help cover the costs.

The **Principal Training Program** is in its fourth year. The program pairs a Martin Luther College graduate with an on-site principal at a WELS school who mentors the graduate for two years as a teacher while also providing leadership instruction. The graduate assumes greater leadership during the third year and is mentored by the on-site principal as a principal-in-training. Following the third year, the graduate returns to the Assignment Committee to potentially be assigned as a principal, with his mentor principal mentoring him during the first year at the new assignment. Currently three men are in the program, and several schools have applied to host a candidate beginning in 2017. Lutheran Schools identifies schools and on-site mentor principals, while MLC identifies candidates and provides mentor training for the host principals. This program, funded by Lutheran Schools, provides some training for a new principal prior to assignment and also provides on-the-job experiences.

Leadership Candidate Training seeks to pair practicing teachers who have at least three years of teaching experience and who are not currently serving as a principal or director with an experienced principal or director for a one-year cohort of learning and practical experiences to help build skills and greater interest in the candidate one day serving as a principal or director.

In 2017, the Leadership Candidate Training program was expanded to a three-year pilot cohort for men identified as having the characteristics to one day serve as a principal. The initiative and cohort, known as the **21st-Century Lutheran Principal Initiative**, are explained in greater detail in the Continuing Education for Called Workers report (see p. 16). Men completing the three-year cohort will have training in all the skill areas needed to effectively serve as a principal prior to accepting a call to the principal position. The 21st-Century Lutheran Principal Initiative is a joint effort of the Commission on Lutheran School and MLC.

In October 2016, the Principal Training Program and Leadership Candidate Training were featured in *WELS Connection* and *Forward in Christ* magazine. An offering appeal to WELS membership followed. We are thankful that many in WELS responded to that appeal and more than \$35,000 in gifts was offered to help provide financial support for the programs listed above. Those funds will go a long way in allowing the programs to move forward in 2017–18.

WELS ministerial growth and evaluation process

Several schools are piloting formative teacher-growth models based on the WELS Teaching Standards. The Ministry Development Plan is a main component of the formative growth model. Continuous teacher growth and improved student learning are key goals of the redesign of the current Team Ministry Process. Models for summative teacher evaluation and formative and summative principal and early childhood director growth and evaluation are also under development. The goal is to launch the redesigned program by the end of the biennium.

Action item

The Voluntary Supplemental Contribution Program was initiated in 2007 when WELS budgetary support for Lutheran Schools was no longer sufficient to completely cover its basic costs. We are pleased to report that consistently nearly all our area Lutheran high Schools and more than half of our Lutheran elementary schools annually contribute. Today, the program continues to fund nearly one-third of the basic operating costs of Lutheran Schools. We are thankful for the consistent annual support. As Lutheran Schools continues to provide support for all schools without additional WELS budgetary support while worker and basic operating costs increase, the annual contribution continues to be a vital funding source for our work. We feel compelled to respond to the need to assist in training new principals and early childhood directors, and we also desire to assist struggling schools or congregations seeking to expand a children's ministry. The contributions are increasingly critical at a time when funds from grants are considerably lower than in the recent past. Each year every school is strongly encouraged to participate in the supplemental contribution program. The district school coordinators play an important role in effectively supporting our schools, and much of their work is also funded through the contribution. They have written a memorial requesting that all schools participate (see p. 228).

Teacher Jim Rademan, reporter

Teacher James Sievert, chairman
Rev. Matt Brown, secretary
Rev. Jonathan Brohn
Mr. Ronald Conradt
Teacher Shawn Herkstroeter
Teacher Mark Otte
Mr. Jim Sexton

Advisory:

Teacher Jim Rademan, director
Teacher Tom Plitzuweit, associate director
Teacher Cindi Holman, national coordinator of early childhood ministries
Prof. Robert Klindworth, Martin Luther College
Prof. Joel Otto, Wisconsin Lutheran Seminary

Appendix: Early Childhood Ministries Task Force

"We will tell the next generation the praiseworthy deeds of the LORD, his power, and the wonders he has done" (Psalm 78:4).

Background

At the 2015 synod convention, the following resolution from the Ad Hoc Commission 2 of the Synodical Council was passed. This resolution was written in response to their work in gathering information that included WELS early childhood ministry.

- | | |
|------------------|--|
| WHEREAS | 1) the Ad Hoc Commission 2 (AHC2) studied the growing need in our church body for strong, well-prepared, and highly capable leaders for early childhood ministry (ECM), specifically the issue of how we prepare early childhood directors for their work; and |
| WHEREAS | 2) the AHC2 study revealed a need for WELS congregations to have a well-defined ECM mission and purpose that is a part of the overall mission of the church and that the congregation, its leaders, and the ECM staff understand that purpose and support it; therefore be it |
| <u>Resolved,</u> | a) that the synod in convention support the AHC2 recommendation to encourage congregations of WELS that have an early childhood ministry to review their ECM mission and purpose and to provide adequate support to carry them out, especially regarding the director position; and be it finally |
| <u>Resolved,</u> | b) that the synod in convention support the AHC2 recommendation to encourage congregations of WELS that wish to add an early childhood ministry program to have a clearly defined ECM mission and purpose that flows from and supports the mission of the church and that members, church leaders, and ECM staff understand them and support them. |

In response to this resolution, an early childhood task force was organized. This group was tasked with reviewing the resolution and determining ways to support and encourage congregations in this regard.

Objectives

The following objectives were developed by the task force and guided their work.

- Identify ways to help a congregation develop and clarify its mission.
- Identify and develop ways for members, church leaders, and ECM staff to continually communicate and support that mission.
- Establish ways that continuing education programs can help our early childhood ministries with staffing, mission, etc.
- Provide ways for congregational support for ECM directors in their role.
- Identify ways to clarify and respond to the ministry expectations for staffing.

- Identify ways to encourage and equip congregations in developing and applying harvest strategies.
- Identify and share ECM resources, including people with expertise.

Helping an early childhood ministry develop a mission statement, vision, and objectives

Why does an early childhood ministry exist? Why did the congregation start an early childhood ministry? What are the goals and objectives for their early childhood ministry? These questions often occur at the inception of a program. However, as time goes on, the daily minutia and details can distract from the mission of the program. Decision making is challenged by the realities of seeking to balance the opportunities for ministry with the resources available. The task force considered ways to aid congregations in assuring that they have a mission statement, that it is accompanied by vision and objectives, and that it is clearly communicated to all stakeholders as often and as clearly as possible.

To work towards this goal, several projects were identified.

1. *Building Blocks: A Handbook for Beginning and Operating a Christian Early Childhood Ministry*: This document is a comprehensive tool for congregational use that begins with the philosophy, foundational principles, and essential characteristics of an early childhood ministry. A discussion guide is being developed to assist with a more meaningful discussion and application.
2. *Building Blocks* also contains a section on developing and applying a mission statement, including vision statements and objectives. The task force is gathering other resources for writing and applying a mission statement. A review of this section in *Building Blocks* is included with possible suggestions for improvement including a Bible study guide.
3. The task force recognized the need to encourage congregations to develop their mission, vision, and objectives or review them regularly if they already exist. Several ongoing efforts are in place.
 - a. The new Telling the next generation: Utilizing our schools for outreach workshops were begun in 2016. These have been well received and continue to be offered throughout the districts.
 - b. Congregations continue to reach out to the Commission on Lutheran Schools, district schools coordinators, or early childhood district coordinators for assistance in starting, revitalizing, or expanding an early childhood ministry.
 - c. The Commission on Lutheran Schools also trained more than 50 individuals to serve as consultants to congregations. As part of their work with congregations, emphasis on the mission of the early childhood ministry is stressed.
4. Outreach and harvest strategies: It has often been stated that the “If you build it, they will come” approach is rarely, if ever effective. More than 25 percent of the almost 11,000 families that enroll their child in a WELS early childhood ministry have no church home. Early childhood ministries also have the privilege and responsibility to encourage Christian parents in their God-given role. Christ commands us to “Go and teach all nations, baptizing them in the name of the Father, and of the Son, and of the Holy Spirit” (Matthew 28:19). What a mission field this is and one that comes to us. Our ministries need to be intentional about their response. It has been recognized that many congregations need both an outreach and a harvest plan. As part of their work, the task force has identified several sample documents that can be adapted by congregations. Congregations are encouraged to develop a plan, implement the plan, review and adjust the plan on a regular basis. This encouragement occurs in the “Telling the next generation” workshops, consultation site visits, one-on-one meetings with congregational leaders and staff, and editing and updating the current documents, *Outreach Strategies for Early Childhood Ministry and Positioning Schools for Outreach*.
5. Other tools being developed include:
 - a. Adaptation of “Characteristics of High Performing Schools” to apply to early childhood ministries. This new document, “Characteristics of High Quality, Mission-Focused Early Childhood Ministries” is available for use by consultants or individual congregations and early childhood ministries. This resources provides the framework to review the current program starting with the mission and including governance, connection with the congregation, staffing, and other areas of importance.
 - b. “Ten Essential Questions When Considering an Early Childhood Ministry”: This checklist can assist a congregation that is considering a new early childhood ministry to be aware of the opportunities and complexity of beginning and operating an early childhood ministry.

Additional projects identified

1. “Administrative Tasks and Responsibilities for WELS Early Childhood Directors,” a resource that is currently shared with a congregation when a newly assigned early childhood director begins serving. The task force is looking to identify other means to share and apply this document.
2. Resources for supporting and encouraging spiritual growth for members of early childhood staff.

3. A review of the current programs designed to support and encourage WELS early childhood directors including the Early Childhood Director Apprentice Mentoring program and the Leadership Candidate program.
4. Long-range projects include the development of webinars or videos on a variety of topics related to early childhood ministry. The first one has been completed featuring Pastor Jon Schroeder's presentation on harvest strategies that he presented at Evangelism Day at MLC in January 2017.
5. Resources for congregations with staff members from a variety of training and background.

Next steps

In March 2017, all individuals who graduated from MLC from 2007–2016 and were assigned as an early childhood director were invited to participate in a survey. The purpose of the survey was to gather data and information regarding their experiences when assigned as an early childhood director. Of the possible 54 responses, 39 were returned. This provided a considerable amount of data, suggestions, and recommendations regarding this topic. A summary of this information was shared with the Conference of Presidents at their April meetings. The task force will continue to synthesize and consider all the information gathered. In light of the critical need not just for early childhood directors, but those serving in all areas of early childhood ministry, the task force will use this information to make suggestions and recommendations regarding preparation, training, and support for early childhood directors.

In closing

The Early Childhood Ministry Task Force is grateful for the encouragement and opportunity to consider addressing the areas included in the resolution. They saw the areas of focus for the resolution to speak to the heart of WELS early childhood ministry's mission and purpose and the challenges that can hinder or limit this gospel ministry. It is understood that even the best of resources are only a blessing if they are known and utilized. It is the goal of the task force to promote and encourage the use of these resources through a variety of means including the "CLS E-news," WELS teacher conferences, and individual consultation with congregations and early childhood ministries.

The work of the church in all aspects, including those in early childhood ministries, is the work of the Holy Spirit. It is the prayer of the task force members that the Lord continue to challenge our congregations with opportunities to share the gospel in a variety of ways including ministry to young children and their families. We pray boldly that the Lord would bless and guide congregations as they consider early childhood as a possible ministry or as they continue to provide early childhood ministry in their congregations. Each day families entrust their young children to our care. What a privilege and responsibility to welcome them, partner with them, and respond faithfully to every opportunity to not just provide high quality early childhood education and care, but most importantly to share God's message of grace and salvation to all. To him alone be the glory!

"May your deeds be shown to your servants, your splendor to their children. May the favor of the Lord our God rest upon us: establish the work of our hands for us—yes, establish the work of our hands" (Psalm 90:16,17).

Early Childhood Ministries Task Force members:

Rev. Daren Aden

Teacher Rachel Burgess

Teacher Dave Gartner

Teacher Cindi Holman, national coordinator of early childhood ministries

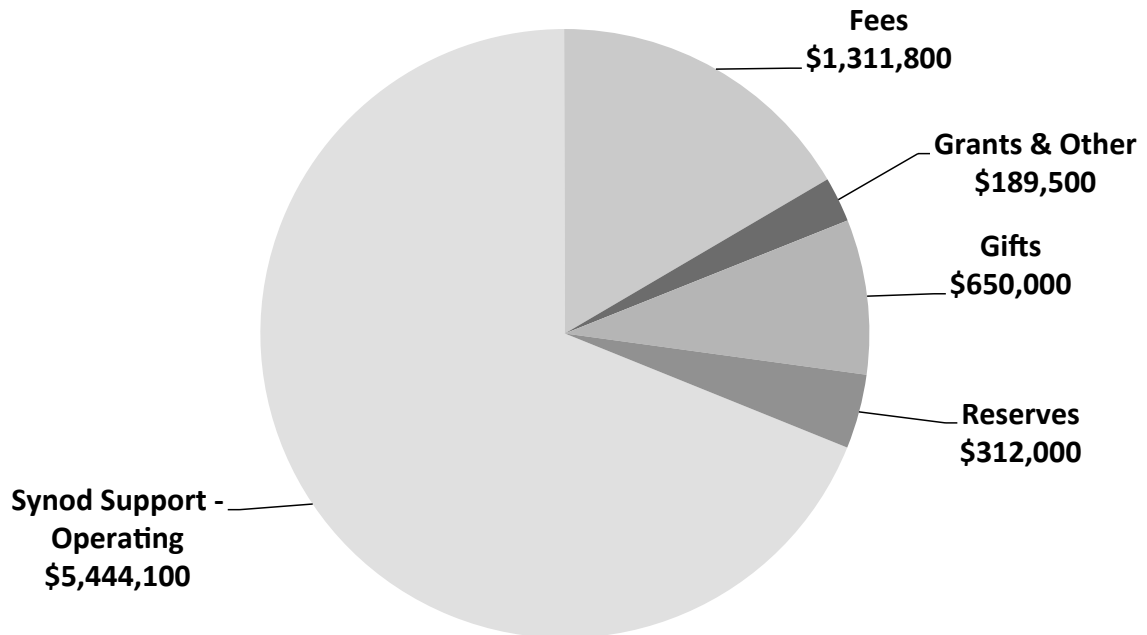
Prof. Cheryl Loomis, Martin Luther College

Teacher Kristen Mantey

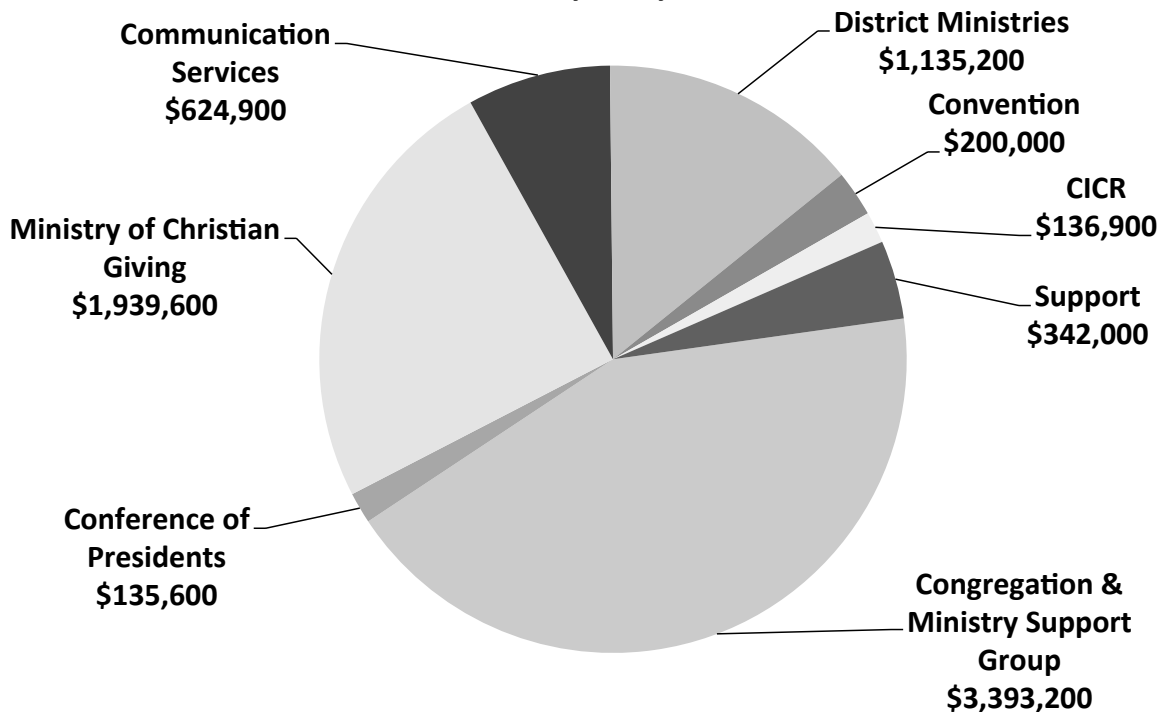
Teacher Rebecca Rixe

Teacher Josh Walker

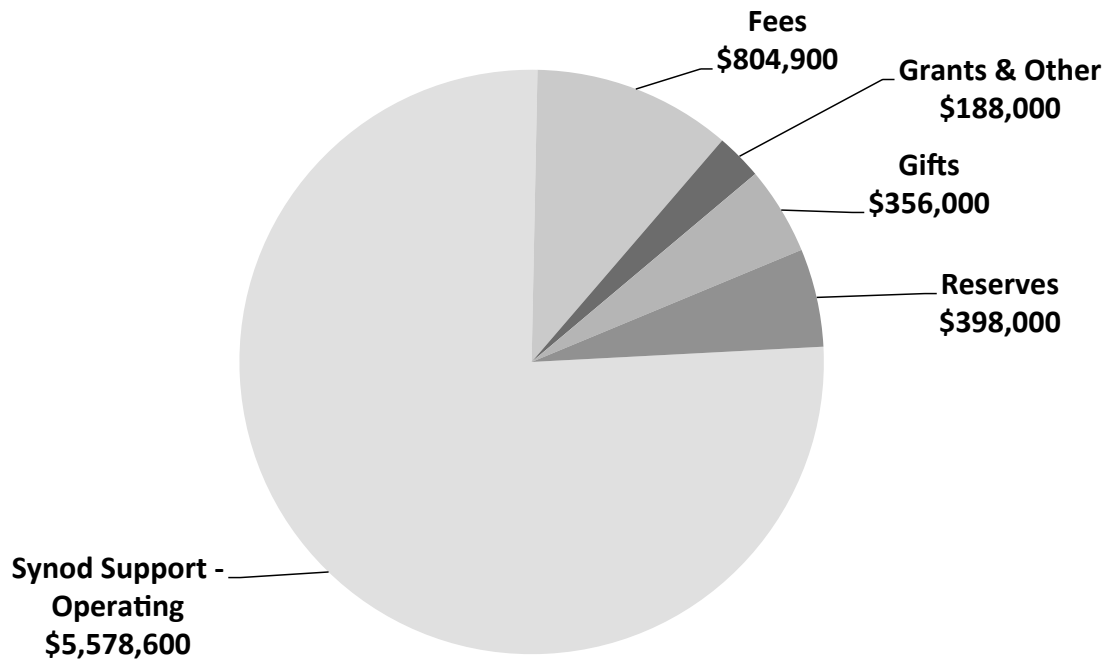
**FY 2017-18 Support
Congregation & District Ministry
\$7,907,400**



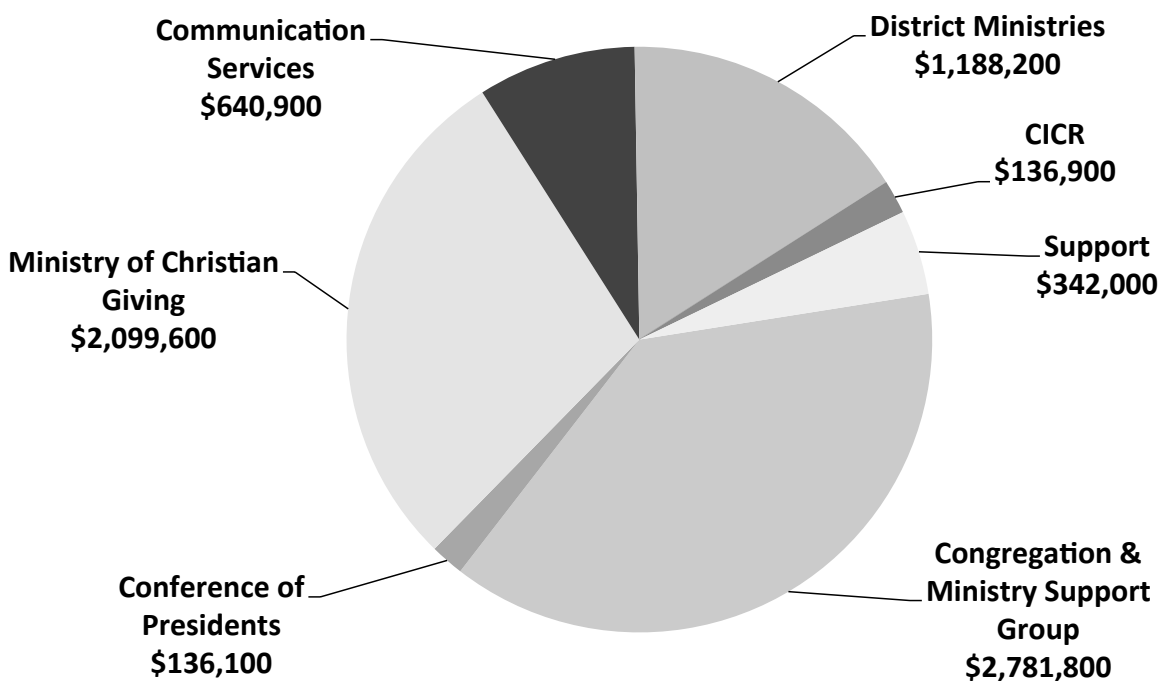
**FY 2017-18 Expenses
Congregation & District Ministry
\$7,907,400**



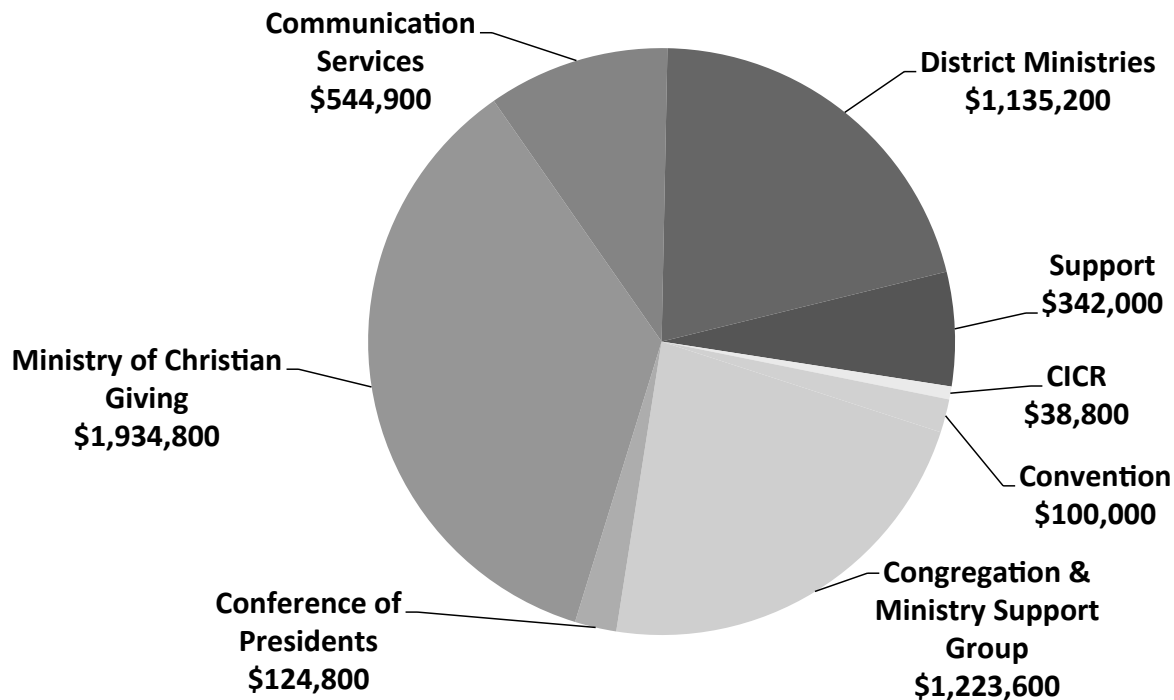
**FY 2018-19 Support
Congregation & District Ministry
\$7,325,500**



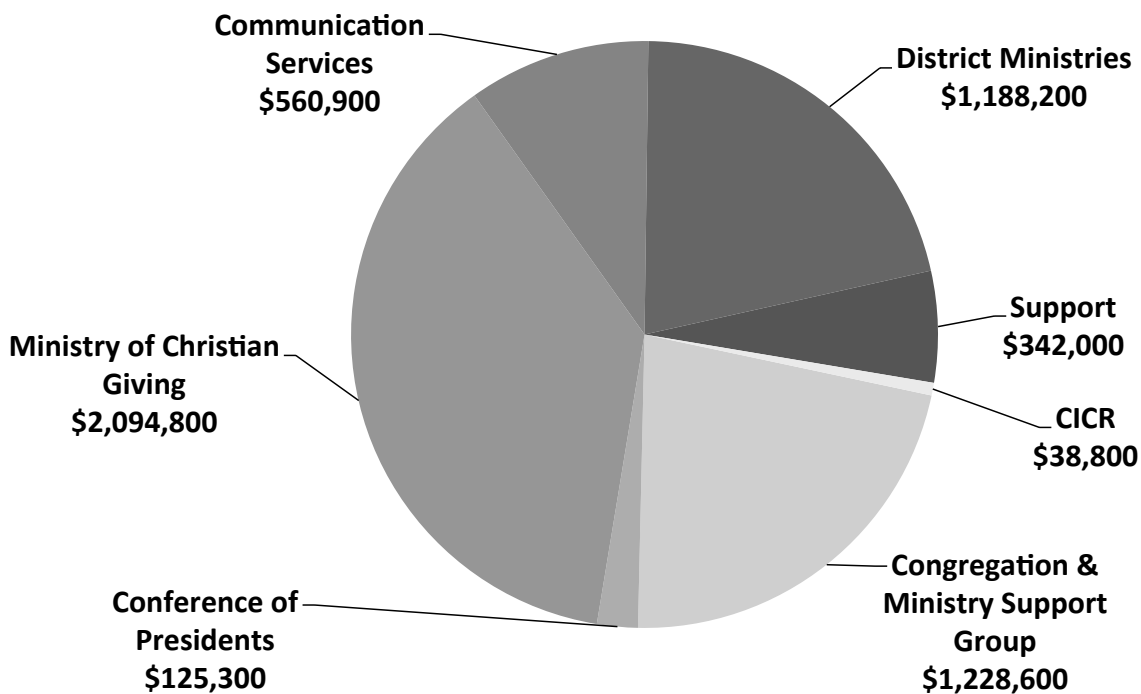
**FY 2018-19 Expenses
Congregation & District Ministry
\$7,325,500**



**FY 2017-18 Synod Operating Support Allocation
Congregation & District Ministry
\$5,444,100**



**FY 2018-19 Synod Operating Support Allocation
Congregation & District Ministry
\$5,578,600**



Ministry Support

The Ministry Support area of the ministry financial plan includes the Synodical Council and all entities overseen by the Synodical Council. These include:

Synodical Council

- Expenses for all regular and special meetings of the Synodical Council
- Expenses for the Accounting Oversight Committee
- Insurance and banking expenses

President's Office

- Compensation for the synod president
- Stipends to the congregations of the first and second vice presidents
- Office staff serving the president and the Synodical Council
- Travel expenses for the synod presidium
- Special support for displaced called workers
- Colloquy expenses

Facilities

Expenses related to the maintenance and operation of the Center for Mission and Ministry, including insurance costs

Synod Archives

WELS Historical Institute (see p. 199)

Publication Coordinating Commission

WELS Christian Aid and Relief

Expenditures related to humanitarian aid and relief programs; funding for the programs of Christian Aid and Relief is provided by gifts from individuals, congregations, and other organizations

Technology Services

Financial Services

Human Resources

Facility Services

Synodical Council

Floor Committee #6

The Synodical Council (SC) is responsible for the implementation of all decisions and resolutions made by the synod in convention and for overseeing all activities of the synod in pursuit of its mission (other than those that are the specific responsibility of the Conference of Presidents). The SC also has the authority to act on behalf of the synod between conventions when proper and necessary. The Convention Compliance listing is included in this report (p. 86) and provides a summary of the progress made to date in implementing convention resolutions.

As it carries out the broad oversight described above, the SC is responsible for monitoring, evaluating, and overseeing all programs of ministry carried out by the synod. A major responsibility of the SC is the management of all financial

activities of the synod, assuring fiscal soundness, preparing and updating support forecasts, and monitoring expenditures in order to maintain a balanced financial plan. In the years when the synod meets in convention, the SC is responsible for working with all areas of the synod to develop and propose a balanced biennial ministry financial plan (budget) that supports the work of the synod in keeping with its needs and long-range ministry plan.

The SC normally meets in November, February, and April.

Standing committees

The SC is organized into three standing committees. The Finance Committee is responsible for establishing the support forecast and for recommending the overall level of spending for budgetary planning. The Finance Committee also monitors the financial performance and works closely with the synod's chief financial officer to oversee the risk management, banking, and general financial situation of the synod. The Administration Committee is responsible for developing and implementing general policies and procedures; providing oversight of the synod's subsidiary organizations; overseeing WELS Human Resources, Technology, Communication Services, and the Ministry of Christian Giving; and providing recommendations for compensation (with the input of the Compensation Review Committee) and other human resource and technology matters. The Ministry Committee oversees and coordinates the plans and activities of all areas of ministry and works to evaluate and monitor how the various areas of ministry are carrying out their tasks in keeping with the In Christ Alone Long-Range Plan and the stated goals of the synod.

Since 2011, the Finance Committee has been establishing the overall spending level of the synod based on the support forecast, while the Ministry Committee then determines the portion of the synod's resources allocated to each area of ministry based on the long-range plan and the current ministry needs and opportunities. This change has proven to be beneficial in the planning process and has resulted in a close cooperative spirit among the various areas of ministry. The SC is recommending an amendment to the bylaws that will provide a more accurate outline of the current process followed in developing the synod's ministry financial plan (see p. 217).

Capital debt retired

In mid-December 2016, the final payment was made on the synod's capital debt. The retirement of the debt took place nearly a year and a half ahead of schedule.

Efforts to repay the debt began in fiscal year 2008–09 after various synodical debts were combined into a single debt of \$22.4 million. An initial synodwide special offering called the "Year of Jubilee" was held that year. Through that offering and in the years that followed, the people of the synod brought gifts for debt retirement totaling approximately \$5 million. The plan was put in place to amortize the remaining debt by the end of 2018 by budgeting for annual payments of \$1.6 million.

Last year, with the desire to retire the debt ahead of schedule, the Conference of Presidents authorized a second special offering called the "One in Christ" debt retirement offering. The people of the synod responded again with gifts of \$3.1 million. Those additional gifts and regular payments since that time made it possible for the SC to make the final payment on the debt.

The synod is now completely debt free. Dollars previously set aside for debt payment are now being used to maintain the mission and ministry of the synod. This remarkable achievement, accomplished during a period of economic uncertainty, is truly a blessing for which we can be thankful to God. We humbly acknowledge that it happened only by God's grace and by the power of the gospel working in the hearts of his people. Thanks to all who gave their gifts of love for this effort, and thanks to our gracious God for making it happen!

Long-range plan: "Our Great Heritage"

The 2011 synod convention adopted a long-range plan entitled "In Christ Alone." The adopted plan was to serve as a guideline and roadmap for ministry and financial planning through the year 2017. In the years when the plan served as the roadmap for the synod's ministry, progress toward the goals outlined in the plan has been monitored, and necessary adjustments have been made. The synod has been blessed to be able to see progress in nearly all areas addressed by the plan. Some examples: The number of home mission starts has increased from prior years. The efforts in world missions to seize new opportunities are being blessed, especially in areas where new approaches and strategies are required due to political or cultural factors. Our ministerial education schools have been blessed with higher enrollments and stabilized financial positions. New efforts to strengthen congregations are bearing fruit as the Commission for Congregational Counseling has developed its program, along with the work done by the other

commissions of the Congregation and Ministry Support Group. Efforts to take a more pro-active approach in making contact with confessional Lutheran groups around the world have been bearing fruit.

During the past year, the SC has been working to develop a new long-range plan entitled “Our Great Heritage,” which will extend to 2025 (the 175th anniversary of the synod). The new plan incorporates current and expected realities in support from Congregation Mission Offerings and other sources and provides a broad roadmap for ministry goals and priorities. If adopted by the synod at this convention, this plan will continue to serve as the guideline for determining priorities in ministry and in funding allocation for those ministries. The proposed plan can be found as an appendix to this SC report on p. 82.

Unrestricted net assets

WELS Financial Services informed the SC that \$1.8 million in special funds previously categorized as designated funds were actually undesignated net assets available for use. The SC allocated \$300,000 of these undesignated funds for the build-out and relocation of the synod archives at the Center for Mission and Ministry. The SC also allocated \$400,000 for accessory elements of the new hymnal that had not been funded in the original plans for the hymnal. The remaining \$1.1 million was placed into the Financial Stabilization Fund.

Synod finances and the ministry financial plan (budget)

Areas of ministry began work on the ministry financial plan in April 2016 with a directive from the Synodical Council that the planning should assume no increase in synod support. The directive was given in view of declining Congregation Mission Offerings (CMO) and flat support from other sources. Last November, the SC reviewed the support forecast, and although the forecast hadn’t improved, the SC determined that ministry needs justified greater use of reserves. At its February meeting, the SC approved the 2017–19 support forecast and affirmed that a \$3.2 million drawdown of reserves was prudent based on ministry needs and opportunities. Yet the SC is concerned that this level of drawdown is not sustainable. Inflationary pressures are increasing costs 3.5 percent annually, and the SC hopes that congregations, through the efforts of the Conference of Presidents, will increase their CMO by at least that amount annually so that ministry programs and services do not need to be cut.

The support forecast, which includes Congregation Mission Offerings, bequests, grants, and gifts shows a slight improvement over the current year as CMO is planned to grow 0.5 percent annually. In addition, lower-than-expected operating and debt retirement costs plus the gift of a closed congregation’s property are projected to increase reserves.

This overall improvement enabled the SC to approve a ministry financial plan that includes a modest increase (approximately 1 percent) in synod support each year of the next biennium. The plan maintains the level of ministry in all areas. It provides funding for a director of discipleship who will oversee the Commissions on Youth and Family Ministry and Adult Discipleship. It also provides an additional Christian giving counselor in the second year of the biennium, a partial adoption of the recommendation from a special committee that has conducted a review of the Ministry of Christian Giving (see p. 35 for the report of the Ministry of Christian Giving Review Committee).

The complete ministry financial plan for 2017–19 can be found on p. 127.

Unfunded Priority List

The SC is responsible for presenting to the synod in convention a list of desirable ministry programs that were not included in the proposed ministry financial plan. This priority list, included as part of the ministry financial plan, will guide the SC in the event that additional financial resources become available. The list of unfunded programs to be considered by the convention are:

1. Synodical Council	\$100,000	Publication Coordinating Commission theological works
2. Missions	\$200,000	Home Missions start and World Missions enhancement
3. COP	\$100,000	Christian Giving Counselor (one year earlier than planned)
4. World Missions	\$50,000	Ethiopia/Sudan worker training support
5. Ministerial Education	\$180,000	MLC Financial Assistance
6. Ministerial Education	\$150,000	Capital projects
7. COP	\$50,000	Special Ministries Military Services Committee
8. Home Missions	\$125,000	New Home Missions start
9. COP	\$50,000	Special Ministries Prison Ministry
10. COP	\$100,000	Commission on Lutheran Schools associate director
11. Synodical Council	\$100,000	Catechism and Bible history curriculum
12. Home Missions	\$125,000	New Home Missions start

Financial Stabilization Fund

All undesignated gifts, grants, and bequests are placed into the Financial Stabilization Fund (FSF) in the year that they are received. Once those funds are in hand, they can be considered for use in support of the ministry financial plan in the following year. Using the FSF in this way does not guarantee that there will never be the need for reductions in ministry, but it provides time for good planning and careful implementation if reductions become necessary.

The SC has established a minimum balance target of \$10 million in the FSF, although that target is flexible depending on ministry needs. The SC has also adopted a policy that the FSF should never have an ending balance more than two times the projected subsidy for the following year. If the balance exceeds that level, the FSF can be used to support ministry expansion or one-time needs.

Compensation Review Committee

As a standing sub-committee of the Synodical Council, the Compensation Review Committee is responsible for bringing recommendations to the SC in all matters relating to compensation. The 2015 synod in convention directed the Compensation Review Committee to undertake a thorough review of the synod's compensation plan for synodical called workers. Even though this plan reflects the compensation provided to synodical called workers, it is often used by congregations as a guide in establishing compensation levels for their called workers. In the two years since the last convention, the Compensation Review Committee has completed its work and is bringing its recommendation to this convention. The committee's report and recommendations begin on p. 100.

Recommended amendments to the bylaws

Both the Synodical Council and the Conference of Presidents have submitted recommended changes to the bylaws for approval at this convention. The complete list of recommended amendments can be found beginning on p. 213.

Modifications to the ministry financial plan

The SC made the following modifications to the FY2016–17 ministry financial plan:

- **Luther Preparatory School:** \$100,000 increase for refurbishing and upgrading the chapel organ funded mostly through special gifts received and partially through the use of reserves.
- **Luther Preparatory School:** \$165,000 increase in the use of synod grants for capital expenses and maintenance, student grants, and funding a position that was planned to be eliminated.
- **Martin Luther College:** \$530,000 additional use of reserves to cover both a shortfall in anticipated revenue due mainly to a lower than planned tuition rate increase and lower enrollments, as well as additional expenses for capital expenses and staffing changes.
- **Wisconsin Lutheran Seminary:** \$100,000 increase in the use of reserves for subsidy provided to WELS for the archivist position.
- **Home Missions:** \$150,000 increase in the expenditure of special funds related to the new Pastoral Studies Institute international recruiter position.
- **Home Missions:** \$200,000 increase in the expenditure of special funds to enable the use of gifts made to support the mission in Grenada.
- **World Missions:** \$105,000 increase in synod support allocation to offset decreased special funds support due to the sale of a donated income property in FY16.
- **Congregation and Ministry Support Group:** \$40,000 increase in the use of special funds to enable the calling of one director to serve the Commission for Youth and Family Ministry and the Commission on Adult Discipleship.
- **Congregation and Ministry Support Group:** \$400,000 increase in the expenditure of special funds raised by fees for the worship conference; \$80,000 increase in the expenditure of special undesignated funds for the Hymnal Project.
- **Congregation and District Ministry:** \$63,100 increase in synod support allocation to compensate for under-budgeting for the operational costs of the districts.
- **Consolidated debt:** \$675,000 increase in synod support for the remaining synod debt funded through the designation of undesignated net assets in the amount of \$1.1 million to the FSF.

Cooperation and communication with the Conference of Presidents

The two leadership groups continue to work in close cooperation and communication with each other. This relationship is strengthened by the fact that both groups share the same chairman (the synod president). Five other members of the Conference of Presidents (the first vice president, the second vice president, and three district presidents) also serve as voting or advisory members of the SC. When necessary, representatives of the two groups meet to discuss matters of common concern and to coordinate the efforts of the two leadership groups.

Thanks for faithful service

We wish to acknowledge the faithful service of several individuals who have completed their time of service on the Synodical Council: Pastor Phil Hirsch (chairman of the Board for Ministerial Education, now Nebraska District president); Pastor Howard Mohlke (chairman of the Board for World Missions, now serving the Apache mission); and Pastor David Rutschow (Conference of Presidents representative, now retired).

Rev. Mark Schroeder, reporter

Rev. Mark Schroeder, WELS president and chairman
Mr. Warren Ehlke, Pacific Northwest District
Mr. John Fowler, South Atlantic District
Mr. Kenneth Gosch, Dakota-Montana District
Mr. Gary Graf, North Atlantic District
Mr. Steven Hansen, Arizona-California District
Mr. Paul Holzhueter, Minnesota District
Rev. Joel Jenswold, pastor-at-large
Mr. Bradley Johnston, South Central District
Dr. Timothy Kriewall, Michigan District
Mr. James Moeller, teacher-at-large
Rev. Howard Mohlke, chairman of WELS Board for World Missions
Mr. Dale Pohlman, Nebraska District
Rev. Duane Rodewald, chairman of WELS Board for Ministerial Education
Mr. Thomas Schermerhorn, Northern Wisconsin District
Rev. Jonathan Schroeder, pastor-at-large
Mr. Timothy Snyder, Southeastern Wisconsin District
Mr. Art Tessmann, Western Wisconsin District
Rev. Donald Tollefson, Conference of Presidents
Rev. Wayne Uhlhorn, chairman of WELS Board for Home Missions
Rev. Charles Westra, Conference of Presidents
Rev. Joel Zank, Conference of Presidents

Advisory:

Rev. Keith Free, administrator of WELS Board for Home Missions
Rev. Bryan Gerlach, coordinator of the Congregation and Ministry Support Group
Mr. Lee Hitter, director of WELS Communication Services
Rev. James Huebner, first vice president
Rev. Kurt Lueneburg, director of WELS Ministry of Christian Giving
Mr. Dennis Maurer, director of WELS Human Resources
Mr. Todd J. Poppe, chief financial officer and treasurer
Rev. Paul Prange, administrator of WELS Board for Ministerial Education
Rev. Larry Schlomer, administrator of WELS Board for World Missions
Mr. Martin Spriggs, chief technology officer
Rev. Joel Voss, second vice president
Mr. Sean Young, director of WELS Missions Operations

Appendix 1:

WELS Long-Range Plan 2018–25

“Our Great Heritage”

UNDERLYING PRINCIPLES

Then I saw another angel flying in midair, and he had the eternal gospel to proclaim to those who live on the earth—to every nation, tribe, language and people. He said in a loud voice, ‘Fear God and give him glory.’ ” (Revelation 14:6-7a).

We exist to proclaim the eternal gospel of Jesus Christ. We affirm that only that gospel can create and sustain faith. Thus, spiritual results related to the growth of the Holy Christian Church in every nation, tribe, language, and people are completely in the hands of God the Holy Spirit. The Holy Spirit uses the means of grace to accomplish the results that only he can work, and he has entrusted the means of grace to human beings as his messengers. We fear God, preaching and teaching the law. We give him glory, preaching and teaching the gospel. We do that as individuals and as congregations working together in a confessional Lutheran church body, that is, we carry out our gospel ministry together while standing squarely on all the truths of Scripture as expressed by the Lutheran Confessions. At all times and in all we do our focus is the cross of Christ Jesus.

“To Spread Its Light From Age To Age Shall Be Our Chief Endeavor”

FOUNDATION FOR LONG RANGE PLANNING—OUR PURPOSE

For the purposes of making it clear that we are an outreach organization, for planning and marshalling resources as good stewards of God’s blessings, and for encouraging unity in spirit, the leaders of our synod have noted the constitutional priorities articulated by recent synod conventions and have summarized the purpose of our work as a synod with this planning guide:

The Wisconsin Evangelical Lutheran Synod exists to give all glory to God by upholding, defending, and proclaiming the truth of the Holy Scriptures as articulated in the Lutheran Confessions, and by providing a means for congregations and their members to extend the reach of their God-given mission of proclaiming the gospel in Word and sacrament through joint mission efforts at home and abroad, the training of called workers, and coordination of gospel applications to encourage spiritually healthy called workers in spiritually healthy congregations and schools.

“Through Life It Guides Our Way”

THE PICTURE IN 2025

Under God’s blessing and by grace alone, we hope to see the following ambitious and realistic snapshot of our work in 2025.

Worldwide Identity as Confessional Lutherans

As we celebrate the 500th anniversary of the Reformation in 2017 and the 175th anniversary of WELS in 2025, we are engaging Christian leaders around the world to join with confessional Lutherans in North America and beyond so that by 2025 the Wisconsin Evangelical Lutheran Synod (WELS) will be more widely known as a confessional Lutheran church body firmly founded on the Holy Scriptures and joyfully partnering to proclaim the saving love of Jesus Christ in Word and sacrament to as many people as possible around the globe.

What you will recognize

- WELS materials will present the gospel with remarkable clarity as an authentic voice of the confessional evangelical Lutheran church.

What may look new

- Existing Christian church bodies around the world will be training their pastors and other called workers with WELS materials and personnel in order to become authentic Lutherans.

World Missions

Recognizing the need for every soul to hear the gospel, by 2025 the Board for World Missions (BWM) will be working with all of the other areas of the synod to serve more than 1,000,000 souls worldwide (160,000 souls in 2016).

What you will recognize

- A world mission team that agrees on a scriptural Lutheran understanding of missiological terms and philosophy, using planning tools to keep the work focused on the one thing needful.

- Regional seminaries, national theological professors, functional Bible institutes, and regular on-site training from catechetical level on up supplemented by distance learning.
- Catechetical, Bible institute level, and seminary course materials in many languages.
- Expatriate missionaries increasingly in a training function.

What may look new

- The majority of missionaries, pastors, and other congregational leaders from the people groups themselves.
- Mission networks and mission support networks that transcend national boundaries.

Home Missions

Recognizing that sharing the gospel through the establishment of new gospel outposts in North America is the primary purpose of Home Missions, by 2025 the Board for Home Missions will continue to seek every opportunity to plant new ministries and to enhance gospel outreach in existing congregations in order to serve more than 300,000 communicant members and more than 400,000 baptized members in the United States (298,899 communicant members and 376,177 baptized members in 2016).

What you will recognize

- The goal of opening at least 10 new missions a year.
- Support for ministry enhancements in existing congregations.
- Coordinated support for all stages of ministry development, including repayment of building loans, with some congregations and programs achieving self-support every year.

What may look new

- Increased multi-site opportunities throughout mission fields.
- Increased flexibility in facility acquisitions (especially in high-cost areas), including the option to buy and renovate existing buildings.
- Self-supporting immigrant groups in urban areas with the majority of missionaries, pastors, and other leaders from the people groups themselves.
- Purposefully enhanced relationships with subsidiaries and parasynodicals in supporting mission opportunities.

Joint Mission Council

With the combined resources and coordination of Home and World Missions, working with Ministerial Education programs for training non-traditional workers, by 2025 the Joint Mission Council (JMC) will coordinate the networking of confessional Lutherans from at least a dozen people groups with which WELS members come into contact.

What you will recognize

- Regular meetings of leaders from people groups in our fellowship.

What may look new

- Just-in-time Lutheran training at the appropriate doctrinal level for any individual who wants to serve as a pastor, teacher, or missionary anywhere in the world, building on our current Pastoral Studies Institute program.
- Organizational structures that facilitate the new ministry.

Ministerial Education

Recognizing God's grace in the precious Lutheran heritage of proclaiming the unconditional gospel that has been passed to our generation, by 2025 the Board for Ministerial Education (BME) will be working with all of the other areas of synod to provide the right number of pastors, teachers, staff ministers, and missionaries so that annual vacancy levels remain under 10 percent (8 percent vacancy rate in 2016).

What you will recognize

- Graduates who are willing to serve anywhere that the church needs them, who believe that the Bible is the infallible Word of God, and who subscribe without reservation to the Lutheran Confessions.
- Wisconsin Lutheran Seminary (WLS), offering theological training that prepares men to enter the pastoral ministry of WELS or of churches within our confessional fellowship, and endeavoring to offer opportunity for theological and professional growth to called workers who already are serving in the ministry of our confessional fellowship.
- Martin Luther College (MLC), training a corps of Christian witnesses who are qualified to meet the ministry needs of WELS and who are competent to proclaim the Word of God faithfully and in accord with the Lutheran Confessions

in the Book of Concord. These Christian witnesses include men ready for pastoral training at WLS; men and women ready for service as teachers and staff ministers in the synod's churches, schools, and other institutions; men and women ready for other church ministries, both full and part time, responding to the needs of WELS; international students preparing for ministry in partnership with WELS mission fields; and men and women in programs of continuing education that meet the ministerial needs of WELS.

- Michigan Lutheran Seminary, preparing high school students for the public ministry of the gospel, encouraging them to enroll at MLC.
- Luther Preparatory School, preparing and encouraging young men and women for the full-time ministry in WELS.

What may look new

- Declining rates of educational debt held by graduates of MLC.
- Comprehensive long-term plans to maintain and improve the physical plants of the ministerial education schools.
- Growing participation with partners in Home and World Missions to serve diverse ethnic populations in global ministry.
- Rapidly growing numbers of teachers in self-supporting Lutheran schools in major U.S. urban areas.
- More comprehensive training and certification of principals and early childhood directors.

Congregation and District Ministry

Recognizing the vital importance of congregational health, by 2025, under the direction of the Conference of Presidents (COP), the Congregation and Ministry Support Group (CMSG) will serve congregations and their leaders by providing resources, training, and personal assistance so that they might carry out gospel ministry in the most faithful way on the local level.

What you will recognize

- The Commission on Worship, helping parishes in their central activity of worship that glorifies God and strengthens his people.
- The Commission on Evangelism, assisting congregations and members to seize every opportunity the Lord provides for personal witnessing to evangelize lost souls.
- The Commission on Special Ministries, offering spiritual and practical guidance and training to congregations and individuals as they share God's love to those with needs or circumstances that prevent them from being served through the congregation's usual ministry.
- The Commission on Lutheran Schools, guiding and assisting congregations in advancing the gospel of Jesus by providing resources, training, and personal assistance for starting and strengthening both elementary and secondary Lutheran schools as well as early childhood ministries.

What may look new

- A new printed hymnal and psalter completely supported by electronic worship planning resources.
- The activities of all of CMSG generated by the needs and priorities identified by the COP through Commission on Congregational Counseling contacts with congregations and considered requests from individuals and parasynodical organizations.
- Expanded activities of the Commission on Adult Discipleship and the Commission on Youth and Family Ministry under one director.
- An emphasis on reclaiming wandering sheep.

"Lord Grant While Worlds Endure We Keep Its Teachings Pure"

Resources

It is the stated goal of WELS leadership and the synod in convention to have Congregation Mission Offerings (CMO) serve as the foundational source of financial support for synodical ministries. In order to carry out the plans and goals listed in this long-range plan, under God's blessing and by his grace alone, the Conference of Presidents (COP) will coordinate the work of circuit pastors, WELS Communication Services, and the WELS Ministry of Christian Giving to encourage CMO gifts as well as special gifts from individuals and groups for the general work of WELS and for specific gospel projects. The Synodical Council (SC) will coordinate the use of CMO, general gifts placed in previous years in the Financial Stabilization Fund, and specific gifts in each biennial ministry plan.

Resource allocation

The synod president will consult with the President's Advisory Council (PAC) to develop a biennial ministry plan for

presentation to the Synodical Council and the synod convention. The ministry plan will reflect continuity in our work of proclaiming the gospel as well as considered decisions for dealing with new circumstances and opportunities as they arise.

Faithful use of resources for mission and ministry

The work of the synod takes place properly with a scriptural worldview of history. When the forces of Satan have conspired and risen up to attack God's church and the gospel itself, God has enabled faithful believers to stand firm. They listen to the Word, repent of their sin, return to the cross, and treasure the sweet news of full forgiveness in Jesus. They form visible churches to hold faithfully to the Word of God without compromise and then to proclaim the saving message of that pure Word to the world, throughout all generations.

Appendix 2: 2015 WELS convention compliance listing

Committee, Resolution	Responsible Group	Resolution description	Status
Res 1-01	President	Synod to follow outlined direction and emphases	Ongoing
Res 1-02	President	Expressions of gratitude	Completed
Res 2-04	COP	Convention at Luther Prep	Completed
Res 2-05	COP	Direct review of Holman Christian Standard Bible; share findings with synod	Report to the 2017 convention
Res 2-06	COP/CLS/MLC	Include all new teachers in New Teacher Induction program	Plans in place
Res 2-07	COP	Oversee completion of the work of CECW Task Force	Task force work completed; committee to be dismissed
Res 2-08	COP	Implement mentoring program for new pastors	Plans in place
Res 2-09	COP	Encourage congregations to support professional growth of called workers	Ongoing
Res 3-01	CICR	Continue discussions with Lutheran groups around the world	Ongoing
Res 3-02	President/CICR	Continue informal discussions with LCMS	Completed; another meeting scheduled for December 2017
Res 3-03	President/CICR	Continue formal doctrinal discussions with CLC	Ongoing; another meeting scheduled for August 2017
Res 4-01, Res 10-02	COP/MCG	Encourage congregations to make use of MCG toolbox for setting CMO subscriptions	Ongoing
Res 4-01, Res 10-03	COP/MCG	Encourage congregations to participate in "One in Christ" debt retirement offering and make materials available	Offering completed; debt retired
Res 7-03	HR	Share HR information with congregations	Ongoing
Res 7-01	SC	Designate the Capital Projects Committee as a permanent standing committee of the SC and include representation of all entities, including subsidiaries	Committee in place and functioning
Res 8-01	President/SC/WLS	Secure funding from WLS for archive planning personnel; develop plans for relocating archives and permanent staffing	Funding provided; archivist hired; archives space prepared in the CMM and collection relocation begun
Res 9-01	COP/Communications	Encourage congregations to make use of informational materials to promote the work of WELS Christian Aid and Relief	Ongoing
Res 13-01	SC/BME	Explore ways to reduce student debt	MLC has begun initiatives to enable congregations to support students
Res 14-01	COP	Encourage COP to make CCC director permanent	Completed
Res 16-01	CLS	Encourage schools to use CLS tools for school improvement	Ongoing

Appendix 2: 2015 WELS convention compliance listing (cont.)

Committee, Resolution	Responsible Group	Resolution description	Status
Res 16-02	CLS	Continue efforts to develop school leaders	Ongoing
Res 16-03	COP/CLS	Encourage all schools to participate in the supplemental contribution	Ongoing
Res 17-01	SC	Restore \$100,000 to PCC upon retirement of the synod's debt or sooner if possible	Placed on unfunded priority list in proposed ministry financial plan
Res 17-02	NPH	Encourage congregations to review and consider using Christ-Light Sunday School material	Ongoing
Res 20-01	VEBA Comm.	Educate congregations regarding the benefits of the VEBA plan	Ongoing
Res 21-01	SC/CRC	Develop draft of revised compensation plan and share with districts	Draft shared with districts in 2016; final recommendation to come before the 2017 synod convention
Res 21-02	COP	Improve delegate preparation and conduct survey of 2017 delegates to determine how preparation can be improved even more	Work in progress
Res 21-03	COP	Make procedural adjustments to improve district delegates' knowledge of candidates	Completed
Res 21-04	President/COP	Make procedural adjustments to improve synod delegates' knowledge of candidates	Work in progress
Res 21-05	BME	Explore additional merit-based scholarships	In progress
Res 21-06	COP/CLS	Encourage congregations to review the purpose and mission of existing and planned ECE programs, and provide adequate support for leadership training	Ongoing
Res 21-07	BWM	Develop and implement strategic plans for entering and departing mission fields	Ongoing
Res 21-08	CEF/BHM	Review policies as to safeguard the synod's investment in cases where congregations leave the synod after receiving support from the synod or from the CEF	Completed
Res 21-09	CCC/CMSG	CCC to work with all entities of the CMSG to create an online repository of ministry resources	Ongoing
Res 22-03	SC	Place director for Youth and Family Ministry in the Unfunded Priority List	Position included in the ministry financial plan

Accounting Oversight Committee

Floor Committee #6

Our calling

The Accounting Oversight Committee serves the synod and its schools, subsidiaries, and affiliates that are under the oversight of the Synodical Council (SC). The committee serves the SC by assisting in ensuring that appropriate accounting policies and internal controls are established and financial systems are efficient and effective; retaining external auditors; assisting in ensuring that financial personnel have the requisite skills; and by assisting in ensuring that financial reports are prepared timely, accurately, and in compliance with generally accepted accounting principles. The committee keeps the SC informed of its action through its appointed member of the committee; the synod's schools, subsidiaries, and affiliate boards, commissions, and committees are informed through WELS' chief financial officer.

Our current situation

The committee engaged the independent audit firm of CliftonLarsonAllen, LLP, to conduct the annual audits of the consolidated financial statements of the synod, its schools, and its subsidiaries for the fiscal year ended June 30, 2016. All audits were completed within five months of year end and all entities received an unmodified opinion, the best you can get, on the financial statements' compliance with generally accepted accounting principles. In addition, the auditors did not identify any significant deficiencies or material weaknesses in internal controls. Copies of the annual financial statements, quarterly consolidated financial statements, and quarterly budget reports are available at cloud.wels.net/finance.

In addition to the annual synod financial statement audits, the committee engaged CliftonLarsonAllen, LLP, to audit the WELS VEBA Group Health Plan, WELS Pension Plan, and WELS Shepherd Plan for 2015. These financial statements also received unmodified opinions for 2015. However, the auditors did note three significant deficiencies in internal controls with the WELS Shepherd Plan that were subsequently corrected by management. At the time of this writing, the 2016 calendar year audits for these three plans are in process.

On July 1, 2016, WELS Investment Funds (WIF) changed its operating model to reduce investment fees. The operating model change brought investor accounting and financial accounting and reporting back in-house. The WIF Board of Directors, in collaboration with the Accounting Oversight Committee, engaged CliftonLarsonAllen, LLP, to perform procedures to validate that the change was properly implemented by verifying the accuracy of investor and financial statements. The CliftonLarsonAllen, LLP, procedures confirmed that the change has been successfully implemented but did identify several instances where procedures or controls could be strengthened.

In 2015, the committee membership was increased by two with the addition of two new members, Mr. Barry Haller and Mr. Bill Schultz. In 2016, the committee again added two new members, Mr. Todd Backus and Mr. Daniel Riebe. The Synodical Council added these four members to ensure that the committee continues to operate effectively when Mr. Tom Walters reached his term limit in 2016 and Mr. Carl Rudolph reaches his term limits in 2017.

A look ahead

During 2016, the committee issued a request for proposals for independent audit services as the five-year contract with CliftonLarsonAllen, LLP, had reached its end. The committee received bids from three independent firms with deep expertise in the not-for-profit practice space. The committee selected Baker Tilly to serve as the WELS auditor for the next five fiscal years and realized a fee savings in doing so. Additionally, the committee will continue to work with Financial Services on succession planning and monitoring WELS risk management and insurance programs.

Mr. Carl Rudolph, reporter

Mr. Carl Rudolph, chairman

Mr. Todd Backus

Mr. Jim Freer

Mr. Barry Haller

Mr. Paul Holzhueter, Synodical Council liaison

Mr. Daniel Riebe
Mr. Bill Schultz

Advisory:

Mr. Todd J. Poppe, chief financial officer and treasurer

WELS Archives Floor Committee #16

Our calling

The Wisconsin Evangelical Lutheran Synod Archives is the official repository of the permanent records of WELS and its congregations, called workers, and related parasynodical organizations. These permanent records are those of significant historical value for the synod and its congregations, and they document all aspects of WELS administration, mission, and ministry. The mission of the archives is to preserve and protect these records and make them available for researchers as well as provide information services to the synod and its called workers and congregations.

Our current situation

The synod archivist, Mrs. Susan Willems, was hired and started in her position June 16, 2016. Construction on the new archives and visitor center at the Center for Mission and Ministry in Waukesha, Wis., was started in July 2016 and completed in September 2017. In October 2016, 472 boxes of material were moved from Wisconsin Lutheran Seminary, Mequon, Wis., to the new facility. This move accounted for roughly 30 percent of the material in the archives. The remainder of the material needs to be organized and packed before it can be safely moved. This work continues to progress with the help of volunteers. The archives is blessed with regular weekly volunteers who have a great interest in the history of the synod and a heart for volunteer work. These volunteers number between four to six depending on the time of year.

Numerous donations were made to the archives since June. These donations include several small, one-time donations such as books, images, church histories, bulletins, and other such documents. Several larger contributions have come from churches that have had to close their doors and from various other sources. Donations include two significant personal collections from pastors who have been called to their eternal glory and two donations of church records. One came from a church that has closed and one from a church that had a plethora of material. Other pastors and congregations from churches that have closed or will be closing soon are reaching out to the archivist to receive guidance on what materials should be transferred to the archives upon their closing.

Numerous research requests have been received since June. Several one-time requests have been filled for researchers who are looking for information such as a starting date of a church or school. Other requests include more in-depth research and are ongoing requests. Nine researchers have come either to Wisconsin Lutheran Seminary or the Center for Mission and Ministry to utilize the collection for their research, and 21 research requests were answered over the phone or through e-mail.

Cataloging of the archival material has begun in the open source cataloging system called ArchivesSpace. Working with Technology Services, ArchivesSpace is installed on an internal server and available to the archivist for cataloging. The archivist has added basic catalog records for 32 collections to date. Once the catalog is made publicly available, it will be a great resource for researchers.

Tours can be scheduled for the visitor center through the e-mail address cmmtours@wels.net. This allows for a central streaming process for the tours to be scheduled. Since the opening of the visitor center in October 2016, roughly 10 groups have come and toured the building, and several unscheduled tours have also taken place. The feedback on the visitor center and archives space is incredibly favorable, and we are looking forward to more tours in the coming months.

A look ahead

The main goal for the coming months is to move the remaining material from Wisconsin Lutheran Seminary to

the Center for Mission and Ministry. Work will continue cataloging the archival collections in ArchivesSpace. This will include adding records for all collections as well as enhancing the records for collections already cataloged. The public interface of the catalog will also be made available to researchers. Outreach will continue to pastors, congregations, and parasynodical organizations to provide information of what records the archives would like to add to the permanent collection.

The archivist was contacted by four churches that are looking for a permanent place for their records, and these donations will be transferred to the archives later in the year. It is anticipated that as outreach about the archives continues, more donations will be received. The outreach combined with the online cataloging system going public should also help increase the research requests received by the archivist.

Already three large groups are scheduled to tour the visitor center later in 2017. These groups include the Martin Luther College Alumni group, the WELS Historical Institute Bus Tour, and the Organization of WELS Lutheran Seniors (OWLS) Convention. All three of these tours will bring more awareness of the archives to the congregations of the synod. Other upcoming events for the archivist include attending the Lutheran Colleges Conference at Martin Luther College in New Ulm Minn., in August, where the archivist will meet with the archivists and librarians of Bethany Lutheran College, Wisconsin Lutheran College, Martin Luther College, and Wisconsin Lutheran Seminary. Topics to be discussed include outreach; integration of libraries into modern, technology-based learning environments; and collaboration among our institutions. In October, the archivist will return to New Ulm to consult with the Archives Committee at Martin Luther College. This meeting is an annual meeting providing collaboration efforts between the synod archives and the archives of synodical institutions.

The upcoming year is one of great anticipation and excitement as the archives transitions to the new facility at the Center for Mission and Ministry and outreach continues. We humbly ask the Lord to continue to bless our efforts as we seek to honor him through the preservation of our synod's history.

Mrs. Susan Willems, reporter

WELS Christian Aid and Relief Floor Committee #19

Our calling

WELS Christian Aid and Relief is the synod's "ministry of compassion," bringing physical relief to people suffering from natural disasters and severe medical and financial emergencies in the form of cash grants, food, clothing, and medical supplies. Christian Aid and Relief also partners with WELS missionaries to support humanitarian aid projects that can help build bridges to proclaim the gospel. The mission of Christian Aid and Relief is drawn from the scriptural encouragement, "Therefore, as we have opportunity, let us do good to all people, especially to those who belong to the family of believers" (Galatians 6:10). Because of all that Christ has done for us, we are eager to reflect Christ's love and compassion to those in need. We seek to personalize our efforts by distributing funds through our churches and missions. We partner with them to encourage local relief efforts on behalf of their own members and community. We bring in volunteers to assist when appropriate.

Our current situation

Our expenditures are divided into two categories: relief expenditures and humanitarian aid projects. From July 1, 2015, to June 30, 2016, our relief expenditures were \$439,443 with \$154,877 designated for domestic relief efforts and \$284,566 for foreign relief efforts. From July 1, 2016, to Dec. 31, 2016, our relief expenditures were \$144,403 total with \$103,440 designated for domestic and \$40,963 for foreign.

Specific opportunities to provide relief in the past two years included \$21,000 in support of our Central Africa Medical Mission; multiple individual grants for called worker crisis counseling through WLCFS—Christian Family Solutions; and other domestic aid for food pantries, inner city relief, and general aid for called workers and congregational members.

Major opportunities to provide relief in the past two years centered in Nepal, where \$82,000 was granted for earthquake relief. This provided food and water, blankets, Bibles, and tents for temporary worship. A grief counseling workshop was also funded to train our Christian leaders there to share the comfort of the gospel with people suffering catastrophic loss.

In response to devastating flooding in Malawi, funds were granted to provide temporary housing supplies, and 450 tons of maize was delivered to our brothers and sisters of the Lutheran Church of Central Africa facing severe food shortages. We are also supporting our world mission work among several orphanages in Haiti at which we provide food and nutrition.

In Vietnam, \$28,000 was provided in relief supplies following a destructive storm. The funds were delivered through our Hmong mission partners, who are sharing the gospel in this emerging field.

In Baton Rouge, La., \$23,900 was given to provide flood relief. This included food and supplies and more than 120 donated quilts. With the help of volunteers, seven homes were rebuilt in the community.

Other domestic relief activities included \$15,000 for tornado disaster relief in Garland, Texas. Funding was also granted to provide crisis counseling to tornado victims through WLCFS—Christian Family Solutions.

In addition, many thousands of dollars were also given to support areas of humanitarian aid through home and world missionaries. These projects offer opportunities to show how much we care by bridging gospel proclamation with acts of compassion. In many cases, humanitarian aid opens doors for us to do mission work in certain foreign countries. For FY2014–15, \$324,460 was granted for humanitarian aid projects, and \$332,426 was granted for FY2015–16.

For FY2016–17, \$298,278 has been approved. Major items include borehole drilling to provide clean water, English-as-a-second-language (ESL) classes, home-based-care for the chronically ill and dying, food assistance to the needy, agricultural projects, food and nutrition to orphans, serving people with special needs, midwife training classes, technology training, and medical equipment and health clinics. Humanitarian aid projects are being supported in Malawi, Nigeria, Zambia, Africa, Russia, Haiti, India, Indonesia, Albania, Ukraine, Nepal, Pakistan, and Thailand, as well as programs to welcome new legal immigrants in Las Vegas, Nev.; Chicago, Ill.; Texas; and Toronto, Ontario, Canada.

WELS Christian Aid and Relief also continues to provide help for families with catastrophic personal and medical difficulties by assisting the local efforts of congregations and missions as they reach out to those among them in need. Contact us if an opportunity arises in your own congregation.

We thank our gracious Lord for moving the hearts of WELS members to show how much they care with their prayers and gifts of love. We thank Mr. Mark Vance, our outgoing director of operations, for his faithful service on this committee. His careful assessment work, oversight of volunteers, and coordination of this ministry have provided a wonderful blessing to our synod and the people in need we serve. We welcome Mrs. Beth Zambo who will serve our ministry as administrative assistant.

A look ahead

Annually, Christian Aid and Relief reviews humanitarian aid grant requests forwarded to us from the Boards for World Missions and Home Missions.

WELS Christian Aid and Relief continues to look for ways to improve its communication to the members of the synod. *Lifeline* videos are regularly being produced so that those who support our work can see firsthand how their gifts are being used. A video and promotional kit is available to inform school children about our ministry. Check out wels.net/relief or “like” us on Facebook to receive timely information and a convenient way to donate online toward Christian Aid and Relief projects. Committee members and volunteers also make presentations to various church and school groups to “tell our stories,” letting WELS members know about the needs and opportunities to help people through Christian Aid and Relief. Contact us to learn more. We are partnering with other WELS agencies, such as WLCFS—Christian Family Solutions, Kingdom Workers, and the WELS Nurses Association to coordinate volunteers to assist in relief efforts when appropriate.

Rev. Robert Hein, reporter

Rev. Robert Hein, chairman

Staff Minister Tom Hering, secretary
Rev. Bruce Marggraf
Mr. Mark Vance, director of operations for WELS Christian Aid and Relief
Rev. Richard Warnecke
Mr. Steven Wright

Support Services

Floor Committee #15

Support Services is the area that encompasses Financial Services, Technology, Human Resources, and Facility Services. These areas support the ministry of the synod and its four ministerial education schools.

Technology

Floor Committee #15

Our calling

WELS Technology exists to support the work of the synod by providing a capable and secure technical infrastructure, facilitating digital communications, assisting congregations and called workers to better make use of technology, and coordinating technology initiatives that can't be done at smaller organizational levels. Together the dedicated men and women that make up the WELS Technology team seek to help the spread of the gospel with technology tools the Lord continues to make available in the 21st century.

WELS Technology divides its working into 10 service areas:

1. IT administration,
2. workstations and peripherals,
3. project management,
4. disaster recovery,
5. servers and storage,
6. documentation and training,
7. end-user support,
8. network and telephony,
9. application and web development, and
10. application and web maintenance.

Our primary calling is connecting gospel-sharers with the available technologies that can better assist in the spread of that gospel. Time and resources are set aside to help with the process of making technologies available to those who would like to share the good news by "any means possible." We believe our calling is to find those intersections between technology and ministry.

Our current situation

Over the past year, our focus has been on three key areas:

1. security,
2. efficiency and stewardship, and
3. digital outreach.

Security

The safety, integrity, and security of synod data is a priority. The synod maintains sensitive information about all of

its called workers and their families, donors, college students, missionaries, churches, schools, and other institutions. Some systems receive financial information, credit card data, and other data that, in the wrong hands, would harm WELS members and the organizations to which they belong. This could include attempts to ransom data, sell information, steal identities, or cripple operations.

We see an increase in security threats each year. In the last year 360 separate unauthorized attempts were made to access our internal servers. Almost 800 malware installation attempts were made, along with 2,100 blocked phishing sites. Synod e-mail systems handled more than 2.3 million e-mails, blocked 1.7 million spam messages, and blocked almost 6,000 messages that contained malware. To date, there have been no known security breaches of synod data.

The threats are very real, and medium-sized organizations like WELS are prime targets for hackers these days because they are perceived to have valuable data but limited resources (both human and technical) to protect those assets. As a result, security audits are done regularly with sophisticated tools and best practice methodologies. The synod's security procedures involve regular testing for PCI (Payment Card Industry) compliance. The compliance requirements have become more rigorous in the past two years, and many changes have been made to get and keep WELS systems in compliance. This has meant upgrades to certain servers, revised security policies, and ongoing training. Work has also begun with our synod schools and Northwestern Publishing House to make sure they are also in compliance.

One new "attack surface" addressed was the proliferation of mobile computing devices accessing synod resources. WELS Technology rolled out a complete Mobile Device Management program to ensure that any device that has access to synod resources can be monitored and, if necessary, locked or erased when stolen. The types of users at greatest risk are those in the Technology, Finance, Advancement, and Christian Giving offices.

Efficiency and stewardship

One of the blessings technology brings to the synod is the ability to improve operational efficiencies through the proper application of appropriate digital tools. That includes databases, online forms, reports, document management, and content management. Over the past five years, WELS Technology, in connection with key areas of ministry, has been migrating and innovating the 25-year-old Progress database application. Its successor, WELSource, is a modern, web-based tool that has both increased productivity and allowed for improved data integrity.

The application contains all synod data related to called workers, congregations, call system, Campus Ministry, Home and World Missions, WELS Pension Plan, etc. Most recently, digital forms have been published that allow called workers, congregations, and schools to fulfill their annual synod reports. These are accessed through a main portal called "My WELS Cloud," which provides an easy-to-use launching point for all synod-related forms. For called workers, that includes biographic updates, self-assessments, and performance assessments. Recently a function to print a full biography was added. This report mimics what a congregation might see on a call list. For organizations, that includes Congregation Mission Offering commitments, church and school statistics, call list requests, and mission activity reporting. This new system has saved staff countless hours that used to be spent manually entering data from paper forms. Participation percentages have also gone up as a result.

The ShopWELS program continued to grow over the last year. The cooperative buying program allows congregations, schools, and even individuals to take advantage of discounted pricing on products and services of all kinds including cell phone devices/plans, computers, office supplies, copiers, rental cars, and website hosting. Recent additions are AED Superstore, a provider of Automated External Defibrillators, and Ad Quest Promotions, which offers branded items of all sorts. Visit shopwels.net to see all participating partners or to sign up for the ShopWELS Insider to get regular updates of news and specials.

In coordination with the synod Compensation Review Committee, an online calculator was developed to support congregations and called workers who wish to compute compensation based on synod salary and benefit recommendations. The calculator, which can be found at wels.net/cwcompcalc, accepts inputs ranging from additional responsibilities and education to housing allowances and cost of living adjustments. The tool is meant to be user and mobile friendly and replaces a rather complicated spreadsheet that sometimes frustrated users.

WELS Technology is working on multiple projects at any one time. For an up-to-the-minute listing of all current and completed projects, please visit cloud.wels.net/techprojects.

With the increase in digital forms available to called workers, congregations, and schools for data management, there has been a parallel increase in the need for help desk support. WELS Technology provides business-hour telephone and e-mail support for all forms and synodical systems and after-hours support for emergencies. In 2016 the help

desk responded to 1,918 phone calls and 1,996 requests via e-mail. This volume remains a source of concern as the limited help desk staff has other departmental responsibilities that at times cannot not be fulfilled due to extended help desk requests.

Outreach

WELS Mobile, the synod mobile app available on iOS, Android, and Amazon, has more than 20,000 users. Devotional text, audio, and video content are available through the app as well as news, call reports, and basic called worker and congregation Yearbook data. The Yearbook portion of the app is also available through a web browser at yearbook.wels.net. The app allows a search by church/school or by called worker. Congregational and school statistics are now available through the same app in addition to a listing of all churches offering live internet streaming services. Just search your favorite app store for “WELS Mobile.”

WELSTech, a weekly audio/video podcast about technology and ministry, celebrated its 500th show this spring. The podcast continues each week with guest interviews, timely tech-in-ministry topics, and great feedback from the show’s listeners. A major focus for this year’s shows is weekly reviews of ministry resources that congregations and individuals can use in personal and professional ministry contexts. This past year the hosts of the show, Mr. Martin Spriggs and Mrs. Sallie Draper, co-wrote a book on project management for churches, schools, and other faith-based organizations called “With All Your Heart.” It is available on Amazon, Kindle, and other digital book e-tailers. To get a copy or view the show notes page for the podcast, visit welstech.wels.net.

Work is currently underway to build an outreach and resource site for Chinese speakers. The site supports Mandarin and English and will provide outreach movies and mp3s, Multi-Language Publications resources, and interactive studies. This mobile-responsive designed site will feature the ability to switch languages and support popular Chinese social networks like Weibo, QQ, and WeChat.

Numerous workshops and presentations are available via the WELS Technology office. Topics include: 1) The efficient church and school office, 2) Social media for congregations, 3) Technology, stewardship, and the digital life, 4) Building an evangelistic website, 5) Digital prospect management, and 6) Volunteers: Building owners, not renters.

A look ahead

In the coming year, work will continue on the WELSource project. The final phase will sunset the old “Progress” database. It will include the migration of all Yearbook data and other event data. Alongside the WELSource project will continue the steady migration of paper to digital forms. Hundreds of forms (both paper and simple PDFs) still remain to be recreated/enhanced in the synod’s forms tool. All of these efforts together will save thousands of man hours each year in data entry and management. Many of these improvements will benefit called workers, churches, and schools as they have greater visibility into synod data that affects them and allows an easy way to keep that data up to date. Call lists will be more accurate, reports more timely, and access to the right forms and people more likely without assistance.

WELS Mobile and the digital WELS Yearbook will see upgrades in the near future. WELS Mobile will be relaunched with offline capabilities as well as other user-customizable features. This will increase the application’s appeal and make it an even better synodical news and devotional tool. Notifications will also be added to allow real-time communications from the synod to app users. The Yearbook online app will be combined with the current Locator tool that will then allow complete lookup and search capabilities to those who are interested in contact information for called workers or wanting to find a worship service to attend while traveling.

The team will continue an ongoing review of financial/donor systems and tools. Customizations of the past have made them difficult to upgrade or migrate to more modern online offerings. Projects will be completed to remove unnecessary customizations and better integrate alumni data from synod schools into the database. The consolidated data should allow the Christian Giving office as well as the school Advancement offices better views of donor activity and more coordinated appeals.

The WELS Technology team looks forward to opportunities for service. As God has allowed new technologies available for our use, we strive to be good stewards of them and to enable our synod’s ministries to use them to spread the precious news of Jesus Christ’s death and resurrection. To him be the glory.

Mr. Martin Spriggs, reporter

Financial Services

Floor Committee #15

Our calling

Financial Services prepares and provides accounting and financial information and services that support and serve WELS ministries. This is done by providing timely, accurate, and complete financial statements, reports, and analyses that facilitate ministry by providing God-pleasing, efficient, and effective financial services and operations that are in accordance with policies, procedures, and regulations and by installing and maintaining internal control systems that safeguard the assets God has provided.

Financial Services provides financial planning and forecasts; accounting, audit, and financial statement preparation; gift processing; accounts payable; accounts receivable; unclaimed property; special funds accounting; payroll; risk management; insurance; records retention; banking; cash management; investments; contract review; corporate credit card and rental vehicle programs; trust administration; and tax advisory services and legal services coordination. These services are provided to WELS, WELS Church Extension Fund (CEF), WELS Foundation, WELS Investment Funds (WIF), WELS Retirement Plan, WELS Voluntary Employee Benefits Association (VEBA) as well as serving as consultants for these services to Northwestern Publishing House (NPH) and WELS' four ministerial education schools.

Human Resources and Facility Services also report to the chief financial officer (CFO). The CFO is the WELS treasurer and an advisor to the Synodical Council and Accounting Oversight, Compensation Review, and Human Resources Advisory Committees. In addition, the CFO serves on the Capital Project Committee and as the synod president's designee serves as an advisory member to the board of directors of NPH, CEF, WELS Foundation, WIF, and the WELS Retirement Plans and VEBA Commissions.

Our current situation

Financial Services is blessed with a dedicated, talented staff with complementary education, training, and work experiences. Financial Services will continue to identify, investigate, and implement strategies that improve effectiveness and reduce costs within the area and across WELS.

In 2016–17, Financial Services has again identified and implemented strategies that reduced staff while meeting or exceeding service expectations. While staffing vacancies and reductions did and continue to pose some challenges, we thank God for providing staff with hearts for serving WELS ministries.

Even with significantly fewer staff than several years ago, Financial Services is focusing on maintaining day-to-day operations, reducing costs, and improving effectiveness. Recently, the following occurred:

- Completed all audits within four months of year end, and the auditor's opinions were unmodified (the best you can get).
- Led the implementation of the new operating model for WELS Investment Funds, which brought investor and financial accounting back in-house and lowered costs.
- Completed a banking services "request for proposals" project that resulted in reduced fees.
- Guided development of a balanced ministry financial plan (budget) for the 2017–19 biennium.
- Led the development of a capital plan for the 2017–19 biennium and beyond.
- Continued to develop documentation and staff cross-training to avoid disruption of operations.
- Collaborated in the evaluation of investment consulting services for WELS VEBA and Pension Plans.
- Use of corporate credit cards is at its highest level, which has resulted in a cash back award and has saved tens of thousands of dollars annually through its provision of insurance on rental cars.

A look ahead

With no increase in synod support, Financial Services was able to continue service levels through further staff reductions resulting from retirement and job changes. We are confident that controls will not be weakened and are fully committed to ensuring that services will not deteriorate as a result of the further reduction. However, our abilities to react to new service requests may be limited. We will continue to seek out and implement changes that reduce costs, increase effectiveness, and/or strengthen internal controls.

Looking ahead, our plans include the following:

- Acclimation of new employees and employees with new responsibilities.
- Begin investigating accounting software and financial reporting system options (hosted vs. cloud-based) and vendors in collaboration with WELS Technology and the ministerial education schools to replace/upgrade the systems, which are more than ten years old.
- Collaborate with the ministerial education schools on investigation of paperless accounts payable systems.
- Evaluate the economic benefits of further increases to property, casualty, and auto insurance retention amounts as well as partnering with insurance providers on the feasibility of creating an insurance pool for corporate WELS, congregations, and affiliated ministries.
- Evaluate electronic receipt processing and retention for the corporate credit card program
- Further leverage purchasing power through expanded negotiated contracts for goods and services.

In summary, the Financial Services team is honored to serve and is prepared to use the available resources and its God-given skills and abilities to support the ministries of WELS.

Mr. Todd J. Poppe, reporter

Human Resources Floor Committee #15

Our calling

The synod's Human Resources department oversees the personnel functions for synod personnel, including development, communication, and implementation of personnel policies; recruitment; compensation; benefits; performance management; and employee relations. Human Resources provides advice to supervisors on matters such as federal and state legal requirements concerning the treatment of personnel.

Human Resources (HR) serves as a resource to WELS congregations and to affiliated groups and entities on the matters mentioned above as well as for risk management and federal and state legal requirements related to personnel matters. Further, in addition to legally mandated reporting to authorities, any charge, report, or allegation of sexual misconduct or physical abuse that has been made of an incident involving pastors, teachers, vicars, full- or part-time employees, and volunteers in any capacity must be reported to the director of Human Resources and the synod president or director of Lutheran Schools as appropriate.

Our current situation

Beyond day-to-day human resource management activities, there are a few key activities/accomplishments that deserve special attention:

- The Human Resources Advisory Committee (HRAC) continues to ensure the WELS HR function provides support, counsel, and leadership in key areas related to management, worker development, and policy across all synodical entities. Further, that these systems are efficient and effective and that HR is staffed appropriately to include the requisite training and experience. The HRAC's focus has changed over the last several years from guidance and direction for day-to-day operational HR issues, to involvement and assistance in strategic items to include areas such as compensation/benefit design, succession planning, and performance management/a feedback-rich culture.
- Staffed the following roles at the Center for Mission and Ministry (CMM) within the last 12 months—accountant; loan origination manager, archivist, investment account specialist, payroll specialist, loan servicing manager, and administrative assistant.
- Continual update of online human resource materials for WELS organizations, including compensation tools to assist in budgeting compensation and benefits for called workers. Visit at cloud.wels.net/hr.
- HR continues to work with the Compensation Review Committee on the review of called worker compensation and revision to the synod compensation guidelines.

- Per Affordable Care Act compliance requirements, large employers must file annual reports and monitor measurement periods to comply with the ACA's employer mandate. HR oversees this annual reporting process for the Center for Mission and Ministry and WELS' four ministerial education schools.
- HR facilitates the process of securing Religious Worker Visas to assist Lutheran schools with placement of Martin Luther College international-student graduates in teaching positions within the United States.
- HR continues to work with congregations and COP members on matters related to risk and personnel as well as general compensation, benefit, and policy issues.

A look ahead

The key area of focus for the HR team going forward will be to evaluate current operations and to identify where efficiencies could be implemented while maintaining effectiveness. Over the next biennium HR will, with God's guidance and blessings:

- Implement the HR model whereby qualified HR professionals from WELS congregations provide volunteer assistance on an as-needed basis for both needs within the synod entities as well as congregation support. Focus will need to be on identifying HR resources from within WELS that can be used on a volunteer basis and preparing them for this work.
- Facilitate learning and development programs for the management and staff of the synod entities.
- Update and maintain wels.net and the WELS Intranet site (cloud.wels.net/hr) to ensure information and details provided assist members from both an information as well as practical aspect.
- Perform due diligence on the vendors and systems in place within the HR structure. This will be an important step to ensure both the outcomes provided, as well as the cost, are appropriate and expected.
- Full utilization of the ADP HR & payroll software modules and support for the Center for Mission and Ministry and the ministerial education schools.
- Work with our areas of ministry and synodical schools in coordinating timely information and support for workers.
- Work with the Synodical Council's designated committee(s) in reviewing and evaluating HR policies and procedures and compensation programs at our synod-operated organizations.
- Listen to and continue providing support to WELS organizations in areas related to our synod human resources.

Questions can be directed to hro@wels.net or call 414-256-3268.

Mr. Dennis Maurer, reporter

Mr. Len Kasten, Human Resources Advisory Committee chairman

Mr. Robert Bullens, Human Resources Advisory Committee member

Mr. Steven Schroeder, Human Resources Advisory Committee member

Prof. Earle Treptow, Human Resources Advisory Committee member

Advisory:

Mr. Todd J. Poppe, Human Resources Advisory Committee member and WELS chief financial officer

Facility Services Floor Committee #15

Our calling

Facility Services provides support services to the ministries conducted at or through the synod corporate headquarters. This objective is accomplished by providing a God-pleasing physical workspace conducive to ministry operations and by creating a welcoming environment to passersby, visitors, guests, and employees.

Our current situation

In spring 2014, synod administration moved to its new home in Waukesha, Wis., along I-94 on Stone Ridge Drive. The building is called the WELS Center for Mission and Ministry (CMM) and has 33,000 square feet of space on two floors

as well as a basement with about 15,000 square feet of space. All areas of ministry and departments of the synod, along with the WELS subsidiaries (WELS Church Extension Fund, WELS Foundation, and WELS Investment Funds), WELS VEBA, and WELS Pension Plan are located at the new site.

In spring 2016, construction of a permanent space to house the synod's archives began. Construction was completed during the summer and the program to relocate the archives from Wisconsin Lutheran Seminary was kicked off. The construction project also included the creation of the WELS Visitor Center, which is used to expose CMM guests to WELS ministries and some artifacts. You can learn more about the archives and visitor center on p. 89. Both projects were funded with funds on hand that were designated by the Synodical Council for these projects.

A look ahead

The Synodical Council created a Building Fund policy to ensure that an adequate funding source exists for maintenance and improvement of the CMM. The policy directs a portion of rents paid by WELS subsidiaries to the Building Fund. The balance in the building fund is approximately \$275,000. Although the building is fairly new, in some respects the building systems and controls, like the HVAC units, are starting to show their age and may need to be replaced in the next three to five years. Also, as the price of LED lighting continues to decline there will be a point where it is cost effective to make the conversion to LED.

Mr. Todd J. Poppe, reporter

Capital Projects Committee

Floor Committee #15

Our calling

By resolution, the 2013 synod convention created the Capital Projects Committee to ensure that the synod's capital needs, both maintenance and new or improved facilities, were a component of the synod's ministry plans in the near term and longer term.

Our current situation

The Capital Projects Committee has been blessed with an unprecedented spirit of cooperation and collaboration. Praise God for blessing this collaborative planning effort.

The committee believes that the synod's facilities are generally well maintained and updated when funds are available. Wisconsin Lutheran Seminary (WLS) and Martin Luther College (MLC), through a use of their operating funds, reserves, synod support, distributions from the ministerial education building endowment fund, and gifts, can keep up on maintenance and modernize their facilities and grounds. Luther Preparatory School (LPS) and Michigan Luther Seminary (MLS) have limited reserves and thus rely on allocations of their operating funds, synod support, and distributions from the ministerial education building endowment fund for their facility maintenance and modernization needs. Additionally, the MLS Foundation has in the past focused on the funding of capital projects at MLS. In 2016, the MLS Foundation changed its emphasis to include both student assistance as well as capital projects. Collectively, these sources have proven to be moderately adequate for the maintenance of the facilities and grounds. The synod's Center for Mission and Ministry (CMM) facility needs are funded from its Building Fund. The CMM Building Fund is funded by subsidiary and affiliate rent for space at the CMM and is adequately funded for the foreseeable future. Northwestern Publishing House declined to participate in the work of the committee.

The 2015 synod convention resolved that all entities are encouraged to participate in the capital planning processes; that the synod's schools develop campus master plans; that the Capital Projects Committee identify funding strategies; and that the Capital Projects Committee continue as a permanent standing committee. Over the last two years, the committee has strived to meet the tasks assigned by the convention and its purposes.

A look ahead

Looking forward, the Capital Projects Committee, the Synodical Council, and the school governing boards have

concerns about the synod's longer-term ability to maintain and modernize the facilities and grounds at its schools. These concerns are predicated on a funding model that relies heavily on Congregation Mission Offerings, which have been flat for nearly a decade while operating costs such as wages, benefits, utilities, and insurances have continued to rise. In addition to facility maintenance, development of campus master plans has identified facility expansion and building programs as well as major system updates at the ministerial education schools.

The schools work very hard to be good stewards of their campuses, including the buildings, the contents of those buildings, and the grounds. Each school sets a certain number of dollars aside each year for routine maintenance. Each school also sets aside some dollars for larger capital projects. In recent years, when very large capital projects are undertaken, the schools form special partnerships with the WELS Ministry of Christian Giving and talk to God's people about supporting those projects without compromising gifts to regular Congregation Mission Offerings.

A rule of thumb for school capital maintenance in the United States is to spend 1.5 percent to 2.5 percent of replacement cost annually on programmed maintenance. With tuition, synod subsidy, and special gifts at current levels, our ministerial education schools are not able to reach this target. In the best years, such spending approaches .5 percent instead. As a result, there are capital projects every year that seem unfunded at the beginning of the year. Sometimes those projects can be put off, and sometimes budget situations improve so that the projects can be undertaken. At other times, schools must work with donors to find ways to fund the projects.

	Replacement cost	Recommended spend at 2.0%	Historical spend*
Wisconsin Lutheran Seminary	\$ 37,465,000	\$ 749,000	\$243,000
Martin Luther College	\$104,876,000	\$2,098,000	\$486,000
Michigan Lutheran Seminary	\$ 32,091,000	\$ 642,000	\$160,000
Luther Preparatory School	\$ 62,725,000	\$1,255,000	\$188,000

**5-year average*

The list printed below is a snapshot of the projects that are unfunded for the 2017–19 biennium at the time of this writing. The Capital Projects Committee hopes that this chart will help you understand why the schools are requesting partnerships with the Ministry of Christian Giving to meet these capital needs in a way that gives glory to God and helps to preserve the balance that we have in funding all the areas of our synod's work.

Unfunded projects

Luther Preparatory School, replace roof, \$120,000
 Michigan Lutheran Seminary, repair dormitory masonry, \$85,000
 Michigan Lutheran Seminary, upgrade four dormitory bathrooms, \$100,000
 Luther Preparatory School, new gymnasium bleachers, \$64,000
 Michigan Lutheran Seminary, renovate commons, \$35,000
 Wisconsin Lutheran Seminary, renovate archives area, \$200,000
 Michigan Lutheran Seminary, install digital sign, \$15,000

Looking beyond the 2017–19 biennium, MLC's master site plan includes a major expansion of the campus plus infrastructure projects. The expansion includes additional dormitory space and athletic practice and competition facilities. The infrastructure projects include the replacement of the HVAC systems and the addition of central air conditioning to the dorms and classrooms.

If synod subsidy were higher because Congregation Mission Offerings were increasing, there would be fewer maintenance/update projects on this Unfunded Projects List. If the Synodical Council decided to allocate more funds to ministerial education, there would be fewer projects on this Unfunded Projects List. If donors want to help with special gifts, those will be welcome. The schools are not willing to increase tuition to pay for larger building projects; there is already a great deal of concern about student educational debt at the time of graduation. And at this time of retiring the synod debt, there are no plans to go into capital debt in order to meet our capital needs.

Next steps

The committee requests:

1. The Board for Ministerial Education (BME) evaluate the need for proposed facilities and infrastructure improvements based on the mission of the school and provide the results of the evaluation to the Synodical Council by March 31, 2018;

2. The Synodical Council evaluate the recommendations of the BME and develop an approved project listing by Dec. 31, 2018; and
3. The Conference of Presidents identify funding programs for the approved capital projects listing to be presented to the 2019 synod convention for consideration.

Mr. Tom Schermerhorn, reporter

Mr. Tom Schermerhorn, chairman and Synodical Council lay representative

Mr. Matt Burow, lay representative

Mr. Chris Kestner, Michigan Lutheran Seminary

Mr. Todd J. Poppe, WELS chief financial officer

Rev. Paul Prange, administrator of Board for Ministerial Education

Mr. Steve Strucely, Luther Preparatory School

Mr. Steve Thiesfeldt, Martin Luther College

Mr. Brian Treichel, Wisconsin Lutheran Seminary

Mr. Dean Waldschmidt, Board for Ministerial Education

Advisory members:

Ms. Carla Hulke, director of finance for Martin Luther College

Ms. Jamie Ristow, director of financial planning and analysis for WELS

Compensation Review Committee

Floor Committee #8

Our calling

The Compensation Review Committee (CRC) is a standing committee that reports to the Synodical Council through its Administration Committee. In the last two years, the CRC has been working on a special project as the result of a convention resolution. The 2015 synod convention, in response to recommendations from the Ad Hoc Commission 2 (AHC2), passed a resolution asking the CRC to review and revise the compensation guidelines approved by the 2001 synod convention and implemented in July 2003. The AHC2 identified several items that should be considered in a revision of the guidelines. Their report to the 2015 convention noted that “some of the issues that the present guidelines seem to influence strongly are: increases in salary that are largely-tenure based and do not reflect sufficiently the called workers’ duties or responsibilities, the lack of calls to older pastors and teachers, the difficulty the synod is having in filling principal vacancies, the lack of any mention of early childhood directors in the present guidelines, and more.” Though the AHC2 didn’t insist on particular changes, they suggested that it might be “time to consider more substantive changes” (2015 *Book of Reports and Memorials*, p. 187).

The 2015 convention resolution directed the CRC to “develop a draft proposal of the revised guidelines to be shared with the 2016 district conventions” and asked that a “final recommendation of the revised synod compensation guidelines be presented to the 2017 synod in convention” (2015 *Proceedings*, pp. 44,45). The CRC began the project by adopting six primary goals to guide its work, aiming to produce compensation guidelines that (in priority order)

1. reflect the scriptural principle that those who serve in the public ministry are worthy of double honor (1 Timothy 5:17);
2. recommend appropriate compensation so that gospel servants may devote themselves to the work of the ministry without needing to find outside employment to support themselves and their families (1 Corinthians 9:1-14);
3. encourage equity in compensation so that two people doing similar work receive similar compensation;
4. recognize the value of experience but place a greater emphasis on responsibilities assigned to the individual worker;
5. will be easy for calling bodies to utilize in putting together a compensation package for their workers; and
6. will be relatively cost-neutral to the work we do together as a synod as they are implemented.

In the early stages of the project, the committee envisioned a radical reworking of the guidelines currently in place. The more the committee wrestled with the issues, however, the more it recognized the excellent work that had been done in putting together the current compensation guidelines. The current guidelines address many of the concerns identified by the AHC2; the problem has been that calling bodies haven't consistently applied the guidelines. Once the committee arrived at that realization, the focus shifted away from a complete revision toward a modification of the current guidelines. Recognizing that the inconsistency in applying the guidelines stemmed in large part from a lack of understanding of the compensation guidelines, the CRC committed itself to repackaging the compensation guidelines in such a way that calling bodies would find them easier to apply. Because it is primarily a repackaging of what is currently in place, with only slight modifications, the financial impact on the work we do together as a synod should be minimal.

The CRC presented a preliminary report to the districts in summer 2016. That report included ten specific recommendations for which the committee requested feedback from the districts. Eleven of the twelve districts responded to the request with reports and resolutions for the committee to consider. One of the ten recommendations was nearly unanimously rejected—that the salary matrix, which includes an increase in salary for each year of experience up to 32 years, be reduced by ten years. The districts were convinced that such a change was ill-advised, thinking that it would work at cross purposes with the committee's stated goal of showing double honor to those who serve in the public ministry of the gospel. The CRC appreciated the feedback and immediately removed that recommendation from consideration. Some of the other recommendations engendered significant discussion in the districts, but there was no groundswell requiring the committee to make additional changes. In the main, the committee's recommendations received support from the districts and are reflected in the revised guidelines appended to this report.

Our current situation

The committee's greatest desire is that calling bodies approach compensation of the Lord's servants prayerfully, carefully, and thoughtfully. Rather than simply taking a number from a salary matrix and considering the task done, calling bodies, through their leaders, will want to take the time annually to consider what they are asking of the public ministers of the gospel that serve as their representatives. As they reflect on the responsibilities entrusted to each of the Lord's servants in their midst, what that worker has done to sharpen his or her skills, and a recommended salary range, the leaders of the calling body will have a better idea of appropriate compensation. That annual review of ministry responsibilities could be a blessing in other ways, too, as the congregation gives serious thought to ministry priorities and opportunities in its context.

The various concepts and elements of called worker compensation, as they are reflected in the revised guidelines beginning on p. 104, are being presented to the convention for approval. The Synodical Council recommends adoption of the approach to compensation outlined in the guidelines. Those who wish to compare the revised guidelines with the current guidelines can find the current guidelines online at wels.net/2017convention under "Supplemental BORAM materials." In general, the components of compensation remain the same, such as the following:

- Cost of Living Adjustment [COLA] (to reflect the variance in the cost of living from region to region),
- Social Security Reimbursement [SECA tax] (remunerating up to one-half of the self-employed social security tax for those classified as Ministers of the Gospel by the Internal Revenue Service),
- housing allowance (for all called workers who are not provided housing),
- housing equity allowance (for all called workers who live in provided housing),
- contribution to WELS Pension Plan,
- health insurance, and
- reimbursement for business-related expenses such as travel and conferences.

The primary differences could be placed into three categories: 1) clarifications of the guidelines the synod implemented in 2003; 2) increased specificity in applying the 2003 guidelines; and 3) changes to the 2003 guidelines.

One item specifically clarified is the matter of housing for those who serve in full-time ministry positions. The current guidelines say, "Each called worker is entitled to a housing allowance. This is part of their total compensation and should not be determined on the basis of need. Two individuals performing the same job should receive the same pay for that job." The revised guidelines use the same language, but provide an example so that the intent is clear. "For example, if a calling body has a pastor who happens to be married to a teacher, both should receive a housing allowance as part of their overall compensation" (p. 116). This is not a change from the current guidelines; it's merely

explaining how the current guidelines were meant to be applied. The numbers in the salary matrix were, at the outset, specifically set below what would be considered a fair total wage, with the understanding that the calling body would also be providing housing or a housing allowance. If a calling body has called both a husband and wife to serve in public ministry, both should receive a housing allowance, even if they happen to reside in the same house.

The revised guidelines also clarify the Cost of Living Adjustment (COLA). The current guidelines include only one mention of the impact of a negative COLA on salary, with this final note: "If the cost of living were less than average, a negative multiplier (hence a negative COLA) would result, reflecting the lower cost of living for that area." The revised guidelines leave that note in place, but also brings that thought up to the first paragraph, saying, "The COLA multiplier can be positive (cost of living index greater than 100%) or negative (cost of living index less than 100%)."

An example of increased specificity in the revised guidelines is in providing direction regarding how much to increase a worker's salary based on the responsibilities assigned to the worker. The current guidelines give possible examples of increased responsibility and say simply that assigned tasks "may warrant consideration for additional compensation." The revised guidelines, which take shape in the web-based Called Worker Compensation Calculator that will be addressed below, provide specific financial recommendations for various responsibilities. Each ministry position has a list of common additional responsibilities associated with it to help a calling body consider what is being asked of the individual worker. For example, the list of additional responsibilities for a teacher are activities/athletic director, music coordinator/director, department chair, technology coordinator/director, vice-principal/assistant principal, director/coordinator of curriculum instruction, congregational duties, and district/synod duties. Each of those responsibilities has a recommended dollar amount attached, with most resulting in a suggested increase of \$1,000 in salary.

There are four significant changes recommended in the revised guidelines.

1. Include early childhood ministry directors and teachers in the list of ministry positions for which salary recommendations are given.

Rationale: The current guidelines provide no salary recommendations for those who serve as directors and teachers in early childhood ministry, a growing ministry throughout the synod. In encouraging a revision of the compensation guidelines, the AHC2 specifically noted this deficiency.

2. Add two columns to the salary matrix, to the left of Column A in the current matrix. The new column A would be 20 percent below the current column A (new column C) and the new column B would be 15 percent below the current column A (new column C).

Rationale: This is meant to guide calling bodies in determining a salary for those who are called to serve in early childhood ministry positions without having first earned a bachelor's degree.

3. Increase the range of columns suggested for most ministry positions from three columns to four (see appendix on p. 121 with salary range assignments).

Rationale: The range of columns in the salary matrix provide calling bodies with flexibility in determining compensation for an individual called worker. The lowest number in the suggested range of columns reflects the minimum salary a called worker in a particular position should be paid. A calling body should carefully weigh and consider several factors to determine an appropriate salary for the worker, such as additional responsibilities and continuing education. By expanding the range of salary, the CRC is hoping that calling bodies will approach the task of determining compensation more prayerfully, carefully, and thoughtfully. The salary range across four columns would be 15 percent, which would be a range from \$4,000 to \$6,000 a year, depending on the worker's experience.

4. Set the range of columns for the principal position the same as that of pastors and missionaries.

Rationale: Those who serve as principals in our Lutheran elementary schools and high schools have heavy responsibilities placed upon them and ought to be honored for their service. The AHC2 identified the shortage of teachers willing to serve as principals, in large part because of the demands of the position. While compensation is not the only component in fostering an environment in which more would be willing to serve as principals, it is one way to demonstrate our respect synodically for that office.

As noted earlier, the committee felt that the most useful thing it could do would be to repackage the guidelines in a way that would make them more accessible and easier to use. The committee's solution was to have WELS Chief Technology Officer Martin Spriggs build a Called Worker Compensation Calculator, which will be housed online and will be readily available to congregations and schools. No user account or password will be required. The calling body enters information regarding an individual called worker, identifying the ministry position (e.g. teacher, pastor), the

worker's additional responsibilities (e.g. choir director, outreach), the years of service, the additional education the worker has received (e.g. master's degree), a cost of living adjustment based on the area in which the worker serves (data for many locations is embedded in the calculator, but a number can also be manually entered), and the type of housing that will be provided. Based on the information the calling body provides, the calculator suggests a range of salary (e.g. \$34,500-\$37,200). The calling body then settles on a base salary, using that suggested range as a guide. Once the calling body enters the base salary, the calculator provides a "tape" listing the compensation, both with and without benefits. The calculator includes a print button so that hard copies can be easily shared with leadership groups and with the called worker.

The Called Worker Compensation Calculator has several "help" menus available to answer questions both about the various components of compensation and about the use of the calculator. Links to short instructional videos will be gradually added to the calculator in the months to come to assist calling bodies in making the best possible use of the calculator. At the time of this writing, the calculator is undergoing field testing, with the goal of identifying improvements before rolling it out for general use. One of the advantages of using the calculator is that it provides specificity regarding how to determine where within the range of salary suggested for a ministry position a particular worker ought to be placed. For example, instead of saying, "Consider an increase in a worker's salary based on additional responsibilities," the calculator uses a specific dollar amount for that additional responsibility, varying in range from \$500 to \$1,200. Or, rather than saying, "Consider an increase in a worker's salary based on additional degrees attained," the calculator provides a specific dollar amount for a degree. A trial version of the calculator will be available at wels.net/cwcompcalc. The committee strongly advocates use of the calculator, both because of the ease of use and because of the specificity it provides to what has been only general guidance to this point. The committee feels that use of the calculator will help calling bodies approach the matter of called worker compensation more prayerfully, carefully, and thoughtfully.

A look ahead

After the convention, the CRC will return to its primary work of providing recommendations to the Synodical Council regarding compensation matters. The revision of the compensation guidelines has, however, identified an ongoing role for the CRC. The committee plans to work with the Human Resources office and its director, Mr. Dennis Maurer, to contact calling bodies on an annual basis to provide encouragement and instruction regarding determining called worker compensation. Instructional videos and Bible studies are already being planned. The CRC will also take a more active role in providing materials for district presidents and circuit pastors as they help congregations provide compensation that demonstrates honor for the public ministry and allows the worker to serve without needing to find additional employment.

Action items

The Compensation Review Committee asks for convention approval of the elements of compensation and the approach to compensation reflected in the revised guidelines.

Prof. Earle Treptow, reporter

Prof. Earle Treptow, chairman

Mr. J. Bradley Johnston, secretary

Mr. Mark Bannan

Rev. Joel Jenswold

Teacher James Moeller

Advisory:

Mr. Dennis Maurer, director of WELS Human Resources

Mr. Todd Poppe, WELS chief financial officer

Appendix:

Proposed Compensation Guidelines

Preface

At its inception in August 1997, the Synodical Council (of the Wisconsin Evangelical Lutheran Synod) set the focus for a new called worker compensation plan. It did so by establishing a Human Resources Committee (HRC) made up of SC members that was charged with the responsibility of developing such a plan.

For about one year, the HRC struggled with the task. The conclusion was reached that an entirely new plan was needed to address the major concerns that were made apparent through extensive survey and discussions held with synodical areas of ministry, calling bodies, knowledgeable laity, and called workers from throughout the synod. The results were contained in the Compensation Guidelines that have been in effect since December 2002.

Subsequent to the adoption and implementation of the Compensation Guidelines, the Synodical Council, through its subcommittee, the Compensation Review Committee, has monitored and updated the Compensation Guidelines to reflect changing compensation and benefits issues. However, no substantial changes were made to the guidelines since their adoption in 2002.

In 2013, the synod in convention resolved to establish a new ad hoc committee to look at all areas of synod structure and programs and to bring its suggestions and recommendations to the 2015 synod convention. The newly-established Ad Hoc Commission 2 identified the Compensation Guidelines as a potential contributing factor in several issues that our called workers and congregations presently face. Specifically, increases in salary are largely tenure based and do not reflect sufficiently duties and responsibilities, lack of calls to more senior tenured workers, difficulties filling principal vacancies, and the absence of early childhood education directors in the guidelines. The Synodical Council's Compensation Review Committee (CRC) assumed responsibility for identifying possible changes to the guidelines and to report those changes to the district conventions in 2016 and final recommendations to the 2017 synod convention.

The CRC considered the issues identified by the Ad Hoc Commission 2 and drafted recommendations for consideration by district conventions as well as the Synodical Council and Conference of Presidents. In summary, the following substantial changes have been made to the guidelines.

- Two salary columns were added to the left of the columns in the current salary matrix for non-college-degreed early childhood ministry workers
- The salary ranges applicable to the various ministry positions were expanded to four columns, with the fourth column being the column to the right. This increase in range of columns was not added for the ministerial education school presidents or the synod president.
- Providing specific guidance regarding recognizing ministry responsibilities and additional education in determining a called worker's salary.
- Setting the range of salary for principals in the same range as that of pastors.
- Clarifying and re-emphasizing that all workers should receive a housing allowance or housing equity.

In addition, the committee created a called worker compensation calculator for congregations and other calling bodies to facilitate the consistent application of the guidelines. The committee plans to provide ongoing training materials for use by district presidents and circuit pastors for their work with calling bodies.

The CRC thanks all those who provided prayers and input on the committee's recommendations and tools.

“Double Honor” – An Examination of the Scriptural Principles for Compensating Called Workers

The Issue – The Lord of the Church has graciously instituted on this earth the ministry of the gospel. By means of this ministry, the Lord wills that all nations hear the Good News of the saving work of Jesus Christ, believe it, and finally be saved. This ministry of the Word is carried out by God’s people. All have a share in this work. But some will be called by God through His Church to do this work full time as representatives of Christ and the body of believers who has called them to use Christ’s Keys publicly. The question then arises: *What compensation should full-time called workers receive?* For guidance in answering this question, we will look to God’s timeless Word.

LUKE 10:7

⁷Stay in that house, eating and drinking whatever they give you, for the worker deserves his wages. Do not move around from house to house.

The context—Jesus is preparing to send ahead of Him 36 two-man teams (or 35 teams) to the towns and places Jesus intended to visit. They can expect opposition (Luke 10:3). They are not to go home and pack a big suitcase to take along (Luke 10:4). They are not to become distracted on the way (Luke 10:4). If they find a welcome in any home, they are to remain in that home, working from there in that place (Luke 10:5). In this home they are to accept the food and drink provided to them (they have not brought along purse or bag, i.e. money or provisions, Luke 10:4). Jesus states the reason they are to accept this support: *[T]he worker deserves his wages*. Here Jesus clearly states the principle of material support for those who preach/teach the Word.

Why the prohibition from moving around from house to house?

Answer: These workers in the Lord’s Kingdom were not to “hunt around” for the most comfortable accommodations, nor seek the most lucrative support they could find. They were to be satisfied with their basic needs being supplied.

1 CORINTHIANS 9:4-14

⁴Don’t we have the right to food and drink? ⁵Don’t we have the right to take a believing wife along with us, as do the other apostles and the Lord’s brothers and Cephas? ⁶Or is it only I and Barnabas who must work for a living? ⁷Who serves as a soldier at his own expense? Who plants a vineyard and does not eat of its grapes? Who tends a flock and does not drink of the milk? ⁸Do I say this merely from a human point of view? Doesn’t the Law say the same thing? ⁹For it is written in the Law of Moses: “Do not muzzle an ox while it is treading out the grain.” Is it about oxen that God is concerned? ¹⁰Surely he says this for us, doesn’t he? Yes, this was written for us, because when the plowman plows and the thresher threshes, they ought to do so in the hope of sharing in the harvest. ¹¹If we have sown spiritual seed among you, is it too much if we reap a material harvest from you? ¹²If others have this right of support from you, shouldn’t we have it all the more? But we did not use this right. On the contrary, we put up with anything rather than hinder the gospel of Christ. ¹³Don’t you know that those who work in the temple get their food from the temple, and those who serve at the altar share in what is offered on the altar? ¹⁴In the same way, the Lord has commanded that those who preach the gospel should receive their living from the gospel.

The context—Paul has just written to the Corinthians about being willing to yield their right to do something out of love and for the good of another (Chapter 8). In Chapter 9, Paul puts forward an example of this in what he had done when he had first come to Corinth. He had not made use of his “right” (vv. 4, 12) of receiving material support from the Corinthians.

Notice Paul calls receiving support a “right” of those laboring in the Word. What is a “right”?

Answer: A “right” is that which is due to a person by virtue of a given status. A person has a just, moral claim to that which is their right. We might even say rights are “existential.” To exist as a certain thing means certain rights accrue to that individual. Paul’s point is that being (existing as) an apostle meant having the right of material support.

Nature and human experience teach the principle that laborers enjoy the fruit of their labors. What examples does Paul cite in this section?

Answer: Soldiers receive compensation for their duty (One thinks how soldiers were quartered in the homes of those they served to defend). Vintners enjoy some of the grapes they harvest. Shepherds enjoy some of the milk from the sheep/goats they tend. Farmers and farmhands enjoy the produce they have worked to plant and harvest.

Not only do nature and experience teach this principle, God does, too, in the Old Testament. In what unlikely verse from the Old Testament does Paul see God teaching the principle of the right of a gospel preacher/teacher to be compensated for their labors?

*Answer: “Do not muzzle an ox while it is treading out the grain.”
(Deuteronomy 25:4)*

What other example from the Old Testament does Paul also cite?

Answer: Paul cites the example of the priests at the Temple who received their food from the gifts and sacrifices the people brought.

The principle (Paul even calls it the command of the Lord Jesus, v. 14)

(ANSWER) THOSE WHO PREACH THE GOSPEL SHOULD RECEIVE

THEIR LIVING FROM THE GOSPEL

For further discussion: In verse 5 Paul made the point that the gospel preacher has the right to take his wife with him. How does this affect our understanding of the “right of support” (v. 12) for those who preach the gospel?

Answer: Understanding that the full-time preacher/teacher has the right to be a “family man/woman,” calling bodies would want their support to be sufficient so the worker can provide for family.

Paul freely yielded his right of support in Corinth. Is it right to expect a called worker to labor in “tent-making” to make a living wage?

Answer: At certain times and in certain places, “tent-making” ministries may exist. (“Tent-making” ministries are understood as those where a person is called and compensated for part-time gospel ministry, with the understanding they will seek gainful employment elsewhere to earn a “living wage.”) It would be important in these circumstances for both the calling body and the individual called to know the parameters and expectations of the Call. “Tent-making” calls will exist where and when circumstances and careful stewardship determine this is the wisest way to carry on gospel ministry. Congregations that would “expect” their called worker to get a second job because they simply don’t want to pay “so much,” or who want to do ministry “on the cheap,” should reexamine their motives and the principles this Bible study seeks to review.

GALATIANS 6:6

⁶*Anyone who receives instruction in the word must share all good things with his instructor.*

Who has the primary responsibility to compensate the instructor of the Word?

Answer: Those who directly receive the benefit from that instructor. This is not to suggest that subsidy in the cause of opening missions is wrong, but as a general practice it is only fitting that the recipients of the gospel ministry compensate the gospel minister from whom they receive the gospel.

1 TIMOTHY 5:17,18

¹⁷*The elders who direct the affairs of the church well are worthy of double honor, especially those whose work is preaching and teaching.* ¹⁸*For the Scripture says, “Do not muzzle the ox while it is treading out the grain,” and “The worker deserves his wages.”*

How do we know that the “honor” of which Paul speaks in these verses is not merely an attitude in the abstract but compensation in the concrete?

Answer: To buttress his statement that elders who serve well are worthy of double honor, Paul quotes (again) the passage from Deuteronomy where oxen are allowed to eat as a result of their treading, and he quotes Jesus’ comments about workers and their deserved wages.

What significance is it that compensation is called not only a wage (v. 18), but also an “honor” (v. 17)?

Answer: In the world, compensation may be simply a calculation of the “market-rate” or even a tool to motivate and retain workers. Not so in the Church. Compensation for those who are called to serve in the gospel ministry is also a way God’s people show them honor.

How should the word “double” be understood in this verse? (the literal formula or calculus by which to set the salary of called workers, a general guideline, other?)

Answer: Interpretations vary. Some believe elders deserve the attitude of honor (this would be one honor) and also the honor of wages (the second, and thus, “double” honor). There is a Scriptural use of the idea of doubling that simply connotes “much more.” (e.g. the double blessing for Jerusalem in the place of her sin, Isaiah 40:1-2; the double destruction spoken of through Jeremiah, Jeremiah 17:18; the double portion of judgment for the harlot, Revelation 18) Perhaps the best way to bring out the idea in this verse is: Whatever you have come to think of as normal honor, the well-serving elder is worthy of much more! And this abundance of honor will be evidenced in the elder’s compensation.

Notice again that the basis for Paul’s point regarding compensation is Old Testament Scripture (*Do not muzzle the ox . . .*) and the command of the Lord Jesus (*The worker deserves his wages*).

For further discussion:

Nowhere does Scripture mandate an exact amount or formula for determining compensation for called workers. That in itself is instructive. How so?

Answer: The setting of compensation is an area in which Christians move about in the freedom of the gospel, guided by the counsel of God’s Word. The determination of compensation is not a legalistic chore for a calling body or a mindless picking of a number, but a thoughtful, prayerful, gospel-motivated exercise of love.

The compensation provided a full-time called worker has been called “freedom.” In what sense is compensation “freedom?”

Answer: The full-time worker should be free to concentrate on the work for which they have been called and not have to unduly concern themselves with matters of food and clothes. Of course, this is first and foremost a matter of trusting the Father in heaven who knows our needs and well provides us. However, a congregation’s compensation should not lead a worker into temptation, either.

Based on what Scripture says, what questions might a calling body ask itself when determining the compensation of its called worker(s)?

Answer: Answers will, of course, vary. Some questions that flow out of this study might be:

- *Does this compensation demonstrate double honor?*
- *Does this compensation adequately provide for this man/woman/family?*

Summary—In the Church, the gospel is everything. It is God’s pardon of the sinner for Jesus’ sake. It is the creative word of God that calls the Church into existence and will preserve her in the world until Christ comes. While Christ will always and rightly be our dearest Treasure, Christ’s people will also honor those who bring them such Good News. Part of that honor will be demonstrated in the compensation we provide those bringers of the Gospel. *How beautiful on the mountains are the feet of those of those who bring good news. (Isaiah 52:7)*

Compensation Planning Philosophy

Guideline Objectives

The Compensation Review Committee aimed at producing compensation guidelines that will:

Goal #1

Reflect the Scriptural principle that those who serve in the public ministry are worthy of double honor (1 Timothy 5:17).

Goal #2

Recommend appropriate compensation so that servants of the gospel may devote themselves to the work of the ministry, without needing to find outside employment to support themselves and their families (1 Corinthians 9:1-14).

Goal #3

Encourage equity in compensation so that two people doing similar work receive similar compensation.

Goal #4

Recognize the value of experience but place a greater emphasis on responsibilities assigned to the individual called worker.

Goal #5

Make it easier for calling bodies to put together a compensation package for their called workers.

Goal #6

Promote a relatively cost-neutral impact to the work we do together as a synod as the revised guidelines are implemented.

Expected Outcomes

It is anticipated that the guidelines will:

1. Reinforce the scriptural truth that calling bodies have a God-given responsibility to provide adequate compensation for the servants of Christ who labor in their name.
2. Provide calling bodies the opportunity to give prayerful and careful consideration each year to the compensation they will provide for those who serve in public ministry.
3. Encourage calling bodies and called workers to plan for professional development as an ongoing responsibility.
4. Offer flexibility to calling bodies in determining compensation for their called workers.

5. Promote a more consistent approach to compensation within and between calling bodies.
6. Simplify the process of determining the components of appropriate compensation.

Desired Benefits

It is also anticipated that the guidelines will:

1. Provide for a deep, thoughtful, Scripture-guided exercise for the calling body and its called workers.
2. Help calling bodies recognize with thanksgiving the blessings the Lord has given them in the called workers he has provided.
3. Lead called workers to appreciate the privileged responsibilities entrusted to them.
4. Help recognize the wide diversity of responsibilities within WELS.
5. Provide for an annual review of compensation levels for called workers.

Compensation Plan Components

The information contained within this section is intended to provide calling bodies with a framework for determining the overall compensation package for called workers. Additional guidance is provided through the use of the Called Worker Compensation Calculator which incorporates these components in an easy to use web-based tool which can be found at wels.net/cwcompcalc.

Base Salary

Base salary is the starting point for developing a total compensation package for all called workers. The entry-level figure of the synod salary matrix (see below) was initially derived from national averages of survey data taken from the U.S Bureau of Labor Statistics (BLS). Since 2002, two surveys, the Consumer Expenditure Survey and national per capita income, are reviewed annually in order to adjust the entry-level salary as appropriate. However, significant financial challenges since the mid-2000's have limited changes to the salary matrix to modest increases, including two years where the matrix was frozen (2009-10 and 2010-11).

Salary Ranges

The salary matrices outlined below provide calling bodies with a flexibility to establish compensation levels between and within different synodical salary range assignments based upon a number of factors. The number of columns assigned for each ministry position allow a calling body to recognize differing responsibilities between positions. It is important to understand that a range assignment within the matrix is a continuum with multiple salary points. A specific salary is determined for an individual holding the position based upon call responsibilities, education level attained, and years of experience. At least annually, calling bodies should conduct a review to evaluate an individual worker's responsibilities and educational advancement and determine where in the suggested salary range the worker ought to be placed. Changing call responsibilities and educational levels may lead to a salary adjustment.

Years of Experience

The salary matrix recognizes the value of ministry experience. Two years of frozen salaries required the addition of two years to the salary matrix, moving it from 30 to 32 years.

Cost of Living Adjustment (COLA)

General Information

One of the principles of these Guidelines is to provide that all called workers are compensated equally for the work of the call they accept. Because the cost of living varies from region to region in the United States, it is necessary that the compensation amounts in the Base Salary Matrix be adjusted up or down depending upon the geographic location of the call. The Cost of Living Adjustment (COLA) is the component of the compensation package that allows calling bodies to adjust wages to reflect this fact. The COLA multiplier can be positive (cost of living multiplier greater than 100%) or negative (cost of living multiplier less than 100%)

It is important to remember that this adjustment is to reflect living costs apart from housing. This means the calculation will be the same regardless of whether the called worker owns, rents, or has housing provided. This also means that any cost of living index (COLI) must exclude housing as a component of

the index. See the “Housing” component of the package for further details on how housing affects compensation.

The COLA Calculation

The actual application of this adjustment is very simple. It only requires multiplying the actual salary determined for the worker from the matrix (not the entry level salary) by the appropriate modifier (salary x modifier = COLA). This figure should be reviewed on an annual basis. The modifier must be set by the calling body. Guidelines for determining this value are detailed in the sections below.

Example: With a salary of \$45,000 and a modifier of 109.0%, a COLA of \$4,050 would result (\$45,000 X .09 = \$4,050).

Selecting a Cost of Living Data Source

The online Called Worker Compensation Calculator at **wels.net/cwcompcalc** contains a pull-down menu with suggested COLA adjustments based on many specific geographic locations that may be relevant for calling bodies. If the calling body’s location is listed in the pull-down menu, it may use the applicable COLA adjustment when computing compensation. COLA adjustment may vary widely depending on the specific location of the calling body, however. If the location of the calling body is not listed in the pull-down menu, the calling body must calculate the applicable COLA by reviewing the available COLA information sources and determining for themselves which resource or combination of resources best serves their specific situation. There are many resources available that provide cost of living information. However, there is not one single source that will work as needed for all WELS calling bodies.

There are two primary reasons for not being able to designate a specific resource as the final guide for selecting the base salary modifier. First, some resources do not cover an adequate number of locations. Second, some resources do not provide enough information on how their number was derived. This second point is important because of the need to exclude the housing component (see **General Information**).

Although each of the resources listed below does include housing in their composite number, some of them provide enough information so that this housing element can be mathematically removed. Since housing is often the largest contributing factor to these indices, it is imperative to be able to eliminate that portion in order to have an accurate base salary modifier for our purposes.

The Council for Community and Economic Research (C2ER) is one group that has developed a suitable Cost of Living Index (COLI). The WELS Human Resources Office has determined that the methodology they use to calculate COLI is very sound and should be used as the starting point for determining the appropriate base salary modifier. The primary shortcoming of their COLI is the limited number of locations covered each quarter. The composite COLI does include housing. However, C2ER provides enough information to remove housing from COLI. Instructions for making this calculation can be found in the following section on **Removing the Housing Component from the Composite Value**.

The COLI data can be found at **www.coli.org**. C2ER data for selected areas may be found at **cloud.wels.net/hr**. Specific data may be requested by e-mail to **hro@wels.net**.

A web site that uses COLI and other information to generate cost of living comparisons is found at **www.bestplaces.net**.

Two other sites that provide cost of living data are **money.cnn.com/calculator/pfi/cost-of-living**, and **www.bankrate.com/CostOfLiving**. However, these resources do not provide enough information to allow removal of housing from the data.

Removing the Housing Component From a Composite Value

The COLA adjustment is only applied to the non-housing compensation components. If a calling body uses the Called Worker Compensation Calculator pull-down menu to determine the COLA adjustment, this is done automatically. If a calling body does not find a COLA number for its area in the pull-down menu in the CWCC, or believes the number to be inaccurate, it must remove the housing component when manually determining the COLA adjustment to obtain an appropriate value for use with this compensation plan. The removal of the housing component from cost of living eliminates a duplication with the separately provided housing/housing allowance element of this plan.

The composite cost of living figure is usually listed as a percentage relative to the average cost of living. The average cost of living is written as 100%. A cost of living of 109% would indicate an area where costs are 9% higher than the average.

Since the composite value is a weighted average of several cost of living components, the information required to remove the housing component is as follows:

The percent weighting of each component
The specific value of each component

Consider the following example (taken from the www.bestplaces.net web site):

<u>Cost of Living Component (Component Weight)</u>	<u>Relative Percentage</u>
Housing (31%)	117%
Food/Groceries (16%)	102%
Transportation (10%)	102%
Utilities (8%)	95%
Health (5%)	120%
Miscellaneous (30%)	102%
Overall (i.e. the composite-weighted value)	107%

Here we have the information we need, the weighting factors (31% of the composite value comes from housing) and the value for each component (housing = 117% of average).

Note that the weighting factors total 100% ($31 + 16 + 10 + 8 + 5 + 30 = 100$).

The following steps will remove housing from the composite:

1. Calculate the total weighting of all the components that will remain in composite after removing housing.

That number is $100 - 31 = 69\%$

or $16 + 10 + 8 + 5 + 30 = 69\%$

or $0.16 + 0.10 + 0.08 + 0.05 + 0.30 = 0.69$ (in decimal for Steps 2 & 3).

2. Multiply each remaining component by its weighting factor and add the results.

$.16 \times 102\% = 16.32\%$

$.10 \times 102\% = 10.2\%$

$.08 \times 95\% = 7.6\%$

$.05 \times 120\% = 6.0\%$

$$.30 \times 102\% = 30.6\%$$

$$70.72\%$$

3. Divide the cost of living figure without housing from Step 2 (70.72%) by the combined weighting factor calculated in Step 1 (0.69).

$$70.72\% \text{ divided by } .69 = 102.49\%$$

This example is the relative cost of living with housing removed (compared to 107% of average if housing is included).

Determining the Salary Multiplier from Relative Cost of Living Figures

The salary multiplier (see section **The COLA Calculation** above) is easily determined from the composite cost of living value with housing removed, as calculated in the section above.

Remember that the cost of living figures shown above are relative to an average value of 100%. To determine the multiplier, simply subtract the average percentage from the new composite percentage.

$102.49\% - 100\% = 2.49\%$, or 0.0249 for use as the multiplier to determine COLA (see Section **The COLA Calculation**). Thus in this example, the COLA would be

$$\$26,300 \times .0249 = \$654.87 \text{ (rounded to \$655)}$$

Note: If the cost of living were less than average, (i.e. less than 100%) a negative multiplier (hence a negative COLA) would result, reflecting the lower cost of living for that area.

Education

This element is considered as salary range assignments are established. For example, the minimal educational expectation (just one component of the Level C range) for an elementary classroom teacher is the Bachelor's Degree. Continuing education toward the Master's Degree would seem to be a worthwhile goal, and as that goal is worked on, the calling body might consider moving that teacher's compensation level along the salary ranges listed from C to F. Salary numbers need not be exactly C, D, E or F, but could rather be placed anywhere between the C to F ranges as continuing education proceeds. Similar progression could be applied to principals or secondary teachers as they continue their education toward the Master's Degree, something which would seem especially valuable given their respective callings and levels of responsibility. If an advanced degree is attained, calling bodies are strongly encouraged to increase compensation as illustrated in the Called Worker Compensation Calculator at wels.net/cwcompcalc.

Missionaries, counselors, administrators, and all other called workers could be so encouraged. The point is this . . . continuing education should be recognized for all called positions within the suggested range of salary offered by the Called Worker Compensation Calculator or columns C-F in the salary matrix. As additional educational levels are attained and utilized in an individual's call, consideration should be given to moving this salary component to higher levels within the respective ranges. Learning is lifelong, and clearly does not stop, even formally, upon graduation.

Levels of Responsibility

General Information

The current compensation package lists twenty-nine different ministry classifications on page 18 of these guidelines. Each ministry classification has a built-in set of responsibilities. Some classifications have higher levels of responsibility than others. For example, the classification principal has more responsibility than that of early childhood ministry teacher. However, within the same ministry classification there are often extra duties and responsibilities that may be assigned. This component allows the calling body to recognize these added responsibilities with additional pay. The Called Worker Compensation Calculator offers common additional responsibilities that might be considered in determining salary.

The responsibility component recognizes additional duties that are assigned to individuals within the same job classification. It is not the process of measuring how well these or any job responsibilities are being carried out. At this point, there is no provision within the compensation package to perform this type of evaluation. Some additional assignments may be temporary in nature, lasting only for a year or so. Others may continue from year to year. In either case, the calling body should review each called worker's responsibilities on at least an annual basis. Additional compensation should be considered for those workers who have assumed these additional responsibilities.

General Responsibility Factors

Increased job responsibility can occur in a variety of forms. Any notable change in the complexity of the job or the time required to complete assigned tasks may warrant consideration for additional compensation. Some general factors to consider:

1. Additional time requirements
2. Increased knowledge, skill, or expertise for new assignments
3. Additional decision making
4. Additional communication requirements (motivation, facilitation, negotiation)
5. Increased requirement for critical thinking and problem solving

Responsibility Examples

Following is a list of tasks that could be considered as "additional responsibilities" within a specific job classification, in this example for a Teacher. This is by no means an exhaustive list.

- Activities/Athletic Director
- Music Coordinator/Director
- Department Chair
- Technology Coordinator/Director
- Vice-Principal/Assistant Principal
- Director/Coordinator of Curriculum Instruction
- Congregational duties
- District/Synod duties

Calculating the Responsibility Amount

The recommended compensation for additional responsibilities would be an additional \$1000 to \$1200 for each additional responsibility. The Called Worker Compensation Calculator provides illustration of moving the called worker across their designated salary matrix columns based on their additional responsibilities. Calling bodies are strongly encouraged to use the Called Worker Compensation Calculator to assist with determining additional salary commensurate with additional called worker responsibilities at wels.net/cwcompcalc.

Social Security Reimbursement (SECA Tax)

Congregations/calling bodies are encouraged to remunerate up to one half of the self-employed social security tax for Ministers of the Gospel. This cash reimbursement is taxable income under current tax code. The reimbursement amount is calculated on salary, cost of living, and housing value (provided or allowance).

Housing Allowance

General Information

Because many called workers have housing provided in the form of a teacherage or parsonage, it is necessary to make the housing allowance a separate component of the compensation package. If we remember this fact, we can better understand how this component is to be applied. The breakout is not required to receive the associated income tax benefits for those who meet the criteria for the IRS designation of "Ministers of the Gospel". The tax benefit is achieved by making the appropriate request that lists actual housing expenses. (See the tax planning section for more details). If there were no parsonages or teacherages, this component would not be needed. The base salary could be increased and the cost of living adjustment (COLA) could reflect the regional differences in housing costs.

Each called worker is entitled to a housing allowance. This is part of their total compensation and should not be determined on the basis of need. Two individuals performing the same job should receive the same pay for that job. No consideration, for example, should be given to the size of an individual's family. Nor does it matter if a called worker is head of household. The compensation guidelines attempt to establish a fair wage for a specific job. That fair wage includes the housing allowance regardless of what the actual housing needs are for that individual. The Salary Matrix itself does not provide a fair total wage; its values were specifically set below what would be considered a fair total wage, with the understanding a housing allowance would be included (or housing provided) to bring the called workers total wage to a fair and appropriate level. For example; if a congregation has a teacher who happens to be married to a pastor, both should receive a housing allowance as part of their overall compensation.

Calculating the Housing Allowance

The cost of housing can vary significantly from region to region within the United States. This variance must be considered when establishing the appropriate amount for this component. Remember that the cost of living adjustment (COLA) does not include the variance in housing costs.

The calling body should determine the average cost of renting a three-bedroom home in the area where

the called worker lives or works. This amount should be included as part of compensation for each worker who is not specifically provided housing as part of his or her total wage amount. The Called Worker Compensation Calculator includes a link to the HUD calculator for comparison purposes. Local real estate companies can also be of assistance in determining this number. After establishing a fair housing allowance for the called worker upon acceptance of a new call, annual adjustments should be equal to the inflation rate adjustment applied to the Synod Salary Matrix annually.

Phase-in Plan

The guidelines approved by the synod convention in 2003 called for a housing allowance for all called workers, regardless of their need or family situation. Some calling bodies may not have understood how the guidelines applied, particularly to called worker spouses, and haven't provided the appropriate housing allowance. Because full implementation of this recommendation could place a significant financial burden on a calling body, the calling body may need to adopt a phase-in plan like the one suggested below:

- Year 1 - Amount equal to the housing equity allowance (currently \$581)
- Year 2 - 40% of the housing component for that area
- Year 3 - 60% of the housing component for that area
- Year 4 - 80% of the housing component for that area
- Year 5 - 100% of the housing component for that area

Housing Equity

General Information

Called workers who have housing provided at no cost (parsonage or teacherage) do not have the benefit of accumulating the same housing equity as do their counterparts who receive a housing allowance. This can present a serious problem as these individuals approach retirement. This component of the compensation plan is intended to relieve this problem. Individuals who spend most of their ministry in provided housing will be able to accumulate the funding necessary to provide their own housing upon retirement.

Calculating the Housing Equity Allowance

The recommended amount for this allowance is 2% of the base salary. As of July 1, 2017, the base salary is \$29,072. This would make the Equity Allowance:

$$\$29,072 \times .02 = \$581$$

The base salary is set by the WELS Human Resources Office and could be adjusted annually. Ideally, the equity amount could be invested in a tax-free account under the name of the called worker. For more information, see the Tax Planning section of this document.

Compensation Related Issues

Benefit Plans

Pension

Each called worker who works at least half-time during the year is provided coverage in the WELS Pension Plan. Calling bodies are required to pay for the mandatory participation in the plan through payments established by the Retirement Program Commission. The plan provides a portion of post-retirement income for the worker based on years of service. The WELS Pension Plan is not designed as an income replacement plan, so other sources of retirement income will be needed at the end of a career. These sources include personal savings, contributions to 403(b) plans like the WELS Shepherd Plan, individual retirement accounts, and Social Security benefits.

Details about the WELS Pension and Shepherd Plans are available at www.welsbpo.net or by calling the WELS Benefit Plans Office at 414.256.3860.

Other Benefits

All calling bodies should ensure that their called workers have adequate health insurance and other benefits as part of their compensation package. Regarding health insurance specifically, calling bodies should either provide every full-time called worker with adequate health insurance coverage or confirm that each called worker has adequate health insurance coverage through some other means (e.g., through a spouse's plan, etc.). While not mandatory, calling bodies are encouraged to participate in the WELS Voluntary Employee Benefits Association (VEBA) Group Health Care Plan. The VEBA plan does not underwrite coverage based on age, participant's health condition, or health care utilization.

What is VEBA? It is a legal entity by which a benefit organization is granted tax-exempt trust status by the IRS. The beneficiary association can provide for the payment of life, health, accident, or other benefits to their members or their dependents.

In addition to health care coverage, the VEBA Plan provides the following coverage either as part of the plan or as a voluntary benefit:

- % Long-term Disability Insurance
- % Accidental Death and Dismemberment Insurance
- % Group Term Life Insurance (voluntary)
- % Dental Insurance (voluntary)
- % Medicare Supplement (voluntary)

Details about the plan are available at www.welsbpo.net or by calling the WELS Benefit Plans Office at 414.256.3860.

Flexible Spending Plans (Internal Revenue Code Section 125)

Qualified flexible benefit plans allow workers to pay for certain health care expenses with pre-tax dollars. This means that contributions are made before almost any income and payroll taxes are calculated and deducted. At the federal level this translates into no FICA (Social Security taxes), Medicare, Federal Unemployment (a tax not applicable to most WELS entities), or income tax. The FICA and Medicare savings apply both to the employee and the employer. In almost all states these plans also allow for no state income taxes to be calculated or deducted on the Section 125 amounts.

Flexible spending plans come in different forms. Some examples are:

- Premium Conversion Plan (premium only plan or POP)
- Flexible Spending Accounts (FSAs)
- Full Flex Plans (cafeteria plans)

Since these plans may have complex legal and cost implications, calling bodies are strongly encouraged to seek professional advice when considering their establishment. Exploration is underway to provide some form of flexible spending plan through WELS VEBA in which sponsoring WELS organizations may participate.

Business Expenses

Certain business expenses are incurred by workers in carrying out ministry work; calling bodies are urged to recognize such costs and provide for non-taxable reimbursement of such expenses to the fullest extent allowed by law. Such expenses may include the following:

- Car Allowance or mileage reimbursement for use of a personal vehicle
- Conference Expenses
- Book Expense
- Office supplies
- Computer
- Mobile devices such as phones and tablets

Tax Planning

All workers are encouraged to minimize tax liability through careful planning and making use of advantages available to them in the tax laws. The WELS Financial Services area publishes a tax guide for use by calling bodies and individuals that outlines federal tax laws and applies them to practical situations. A copy of this tax guide can be requested through **hro@wels.net**.

Workers and calling bodies are urged to look for professional advice within their local areas when undertaking tax planning.

PROPOSED WELS COMPENSATION GUIDELINES

Base Salary Matrix

2017-18

Range Spread	12,356	13,083	14,536	15,263	15,990	16,717	17,443	18,170	18,897	19,624
Service Incr.	412	436	485	509	534	558	583	608	633	657
Ranges	A	B	C	D	E	F	G	H	I	J
<i>Experience</i>										
0	24,712	26,165	29,072	30,526	31,980	33,433	34,887	36,341	37,794	39,248
1	25,124	26,601	29,557	31,035	32,514	33,992	35,470	36,948	38,427	39,905
2	25,536	27,037	30,042	31,544	33,048	34,550	36,054	37,556	39,060	40,562
3	25,948	27,473	30,526	32,052	33,582	35,108	36,637	38,164	39,693	41,219
4	26,359	27,909	31,011	32,561	34,116	35,666	37,221	38,771	40,326	41,876
5	26,771	28,345	31,495	33,070	34,650	36,224	37,804	39,379	40,959	42,533
6	27,183	28,782	31,980	33,579	35,184	36,783	38,388	39,987	41,592	43,191
7	27,595	29,218	32,464	34,087	35,718	37,341	38,971	40,594	42,225	43,848
8	28,007	29,654	32,949	34,596	36,252	37,899	39,555	41,202	42,857	44,505
9	28,419	30,090	33,433	35,105	36,786	38,457	40,138	41,810	43,490	45,162
10	28,831	30,526	33,918	35,614	37,320	39,016	40,721	42,417	44,123	45,819
11	29,243	30,962	34,402	36,123	37,854	39,574	41,305	43,025	44,756	46,476
12	29,654	31,398	34,887	36,631	38,388	40,132	41,888	43,633	45,389	47,133
13	30,066	31,834	35,371	37,140	38,922	40,690	42,472	44,240	46,022	47,791
14	30,478	32,270	35,856	37,649	39,456	41,248	43,055	44,848	46,655	48,448
15	30,890	32,706	36,341	38,158	39,990	41,807	43,639	45,456	47,288	49,105
16	31,302	33,142	36,825	38,666	40,524	42,365	44,222	46,063	47,921	49,762
17	31,714	33,578	37,310	39,175	41,058	42,923	44,806	46,671	48,554	50,419
18	32,126	34,015	37,794	39,684	41,592	43,481	45,389	47,279	49,186	51,076
19	32,537	34,451	38,279	40,193	42,126	44,040	45,972	47,886	49,819	51,733
20	32,949	34,887	38,763	40,701	42,660	44,598	46,556	48,494	50,452	52,390
21	33,361	35,323	39,248	41,210	43,194	45,156	47,139	49,102	51,085	53,048
22	33,773	35,759	39,732	41,719	43,728	45,714	47,723	49,709	51,718	53,705
23	34,185	36,195	40,217	42,228	44,262	46,272	48,306	50,317	52,351	54,362
24	34,597	36,631	40,701	42,737	44,796	46,831	48,890	50,925	52,984	55,019
25	35,009	37,067	41,186	43,245	45,330	47,389	49,473	51,532	53,617	55,676
26	35,421	37,503	41,671	43,754	45,864	47,947	50,057	52,140	54,250	56,333
27	35,832	37,939	42,155	44,263	46,398	48,505	50,640	52,748	54,883	56,990
28	36,244	38,375	42,640	44,772	46,932	49,064	51,224	53,356	55,515	57,647
29	36,656	38,811	43,124	45,280	47,466	49,622	51,807	53,963	56,148	58,305
30	37,068	39,248	43,609	45,789	48,000	50,180	52,390	54,571	56,781	58,962
31	37,480	39,684	44,093	46,298	48,534	50,738	52,974	55,179	57,414	59,619
32	37,892	40,120	44,578	46,807	49,068	51,296	53,557	55,786	58,047	60,276

WELS SYNODICAL SALARY RANGE ASSIGNMENTS	
Revised July 1, 2017	
Position	New Column Assignment
Early Childhood Ministry Teacher w/o degree	A - B
Early Childhood Ministry Teacher (BS or BA base)	C - F
Teacher (BS or BA base)	C - F
Secondary Teacher	D - G
Early Childhood Ministry Director	D - G
Prep Professor	D - G
Staff Minister	D - G
Principal	E - H
Christian Giving Counselor	E - H
Prep Vice President	E - H
Prep Dean	E - H
College Professor	E - H
Pastor	E - H
Home Missionary	E - H
World Missionary	E - H
CMM Associate Administrator	E - H
CMM Associate Director	E - H
CMM National Coordinator	E - H
Mission Counselor	E - H
CMM Administrator	F - I
CMM Director	F - I
Prep President	F - I
College Vice President	F - I
College Dean	F - I
Seminary Professor	F - I
Seminary Vice President	F - I
College President	G - I
Seminary President	G - I
Synod President	J

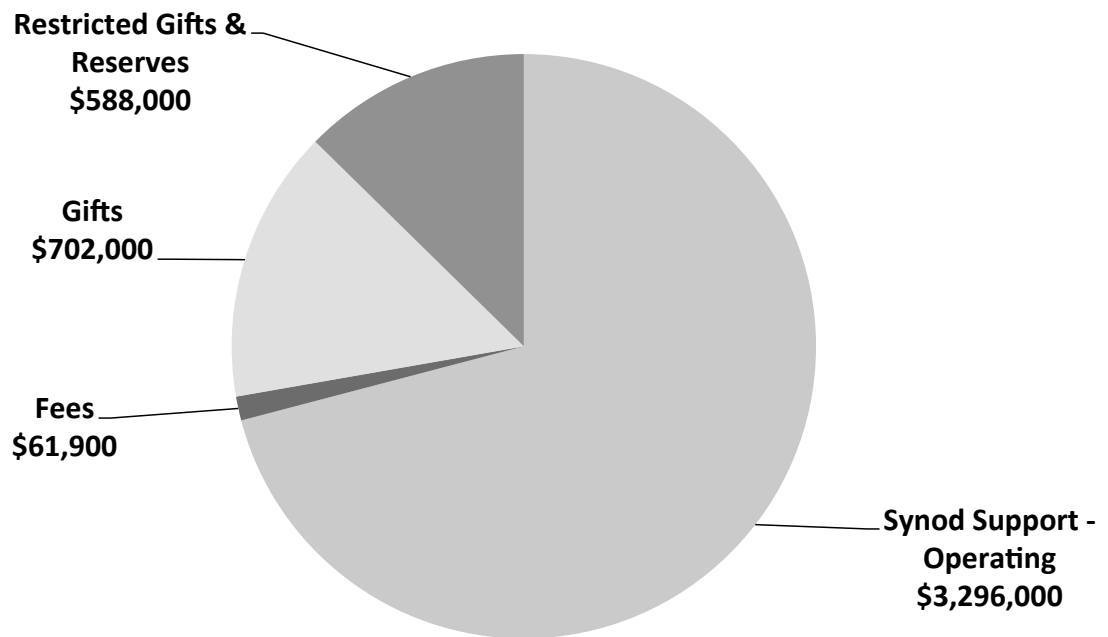
Notes:

- 1) There is a 50% spread between 0-30 years of experience.
- 2) Columns C-J increase by 5% over the previous column (for example, Rate Range E is 10% greater than Rate Range C).
- 3) Each called worker's actual salary is determined by finding the applicable experience row and determining the appropriate rate range (For example, a teacher with 10 years' experience should receive a salary between \$37,042 and \$42,102. Salaries greater than \$37,042 would recognize additional education credentials and responsibility levels).
- 4) The entire salary matrix will be reviewed annually and adjusted as needed to reflect changes occurring in the economy.
- 5) The basis for the housing equity allowance is the base salary
- 6) The cost of living adjustments are based on the worker's salary
- 7) SECA tax reimbursement, housing allowances, and housing equity are provided in addition to the salary amount.
- 8) The online Called Worker Compensation Calculator helps a calling body consider the impact of additional responsibilities and education in determining where in the suggested salary range the worker ought to be placed.

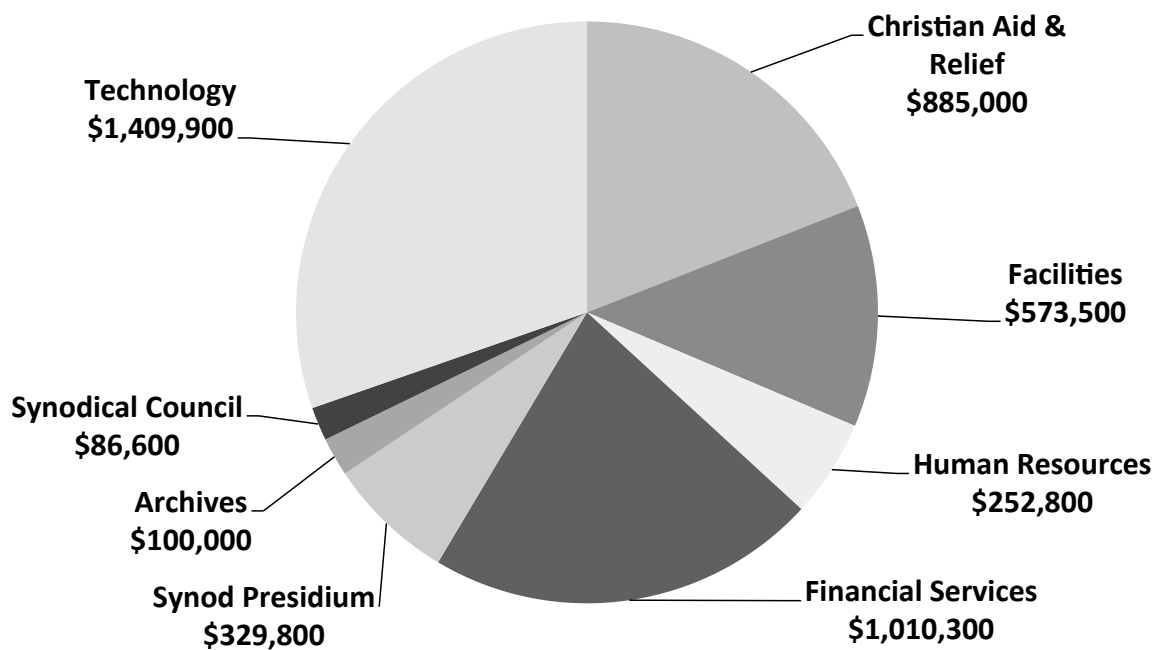
WELS Compensation Plan Worksheet

Visit wels.net/cwcompcalc for the Called Worker Compensation Calculator with options to print/save a worksheet.

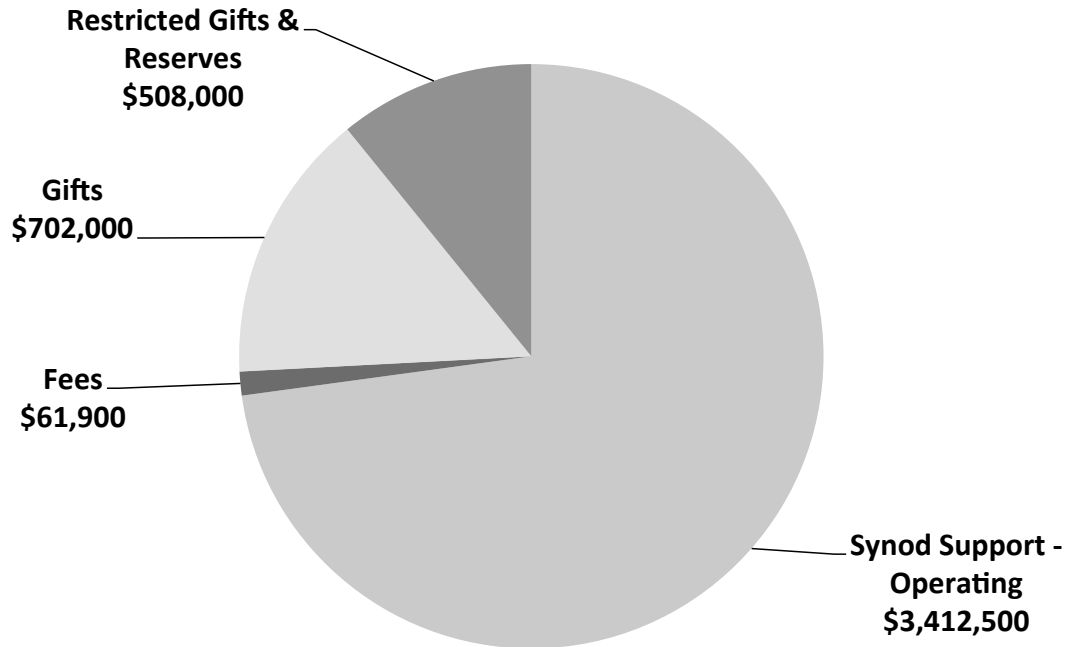
**FY 2017-18 Support
Ministry Support
\$4,647,900**



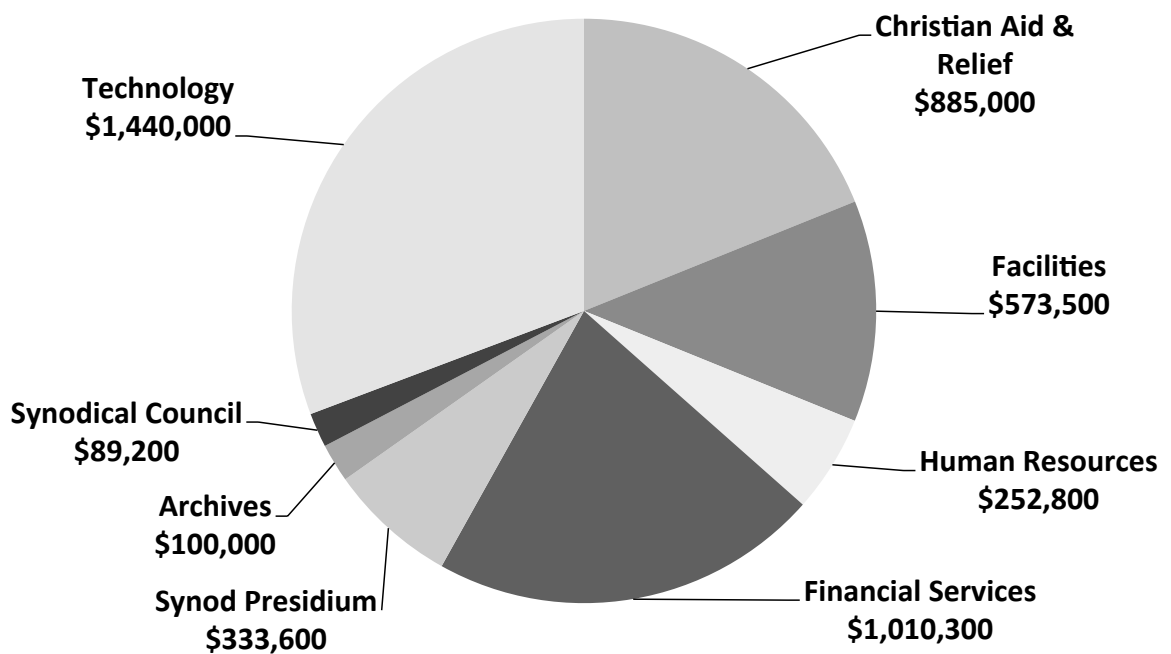
**FY 2017-18 Expenses
Ministry Support
\$4,647,900**



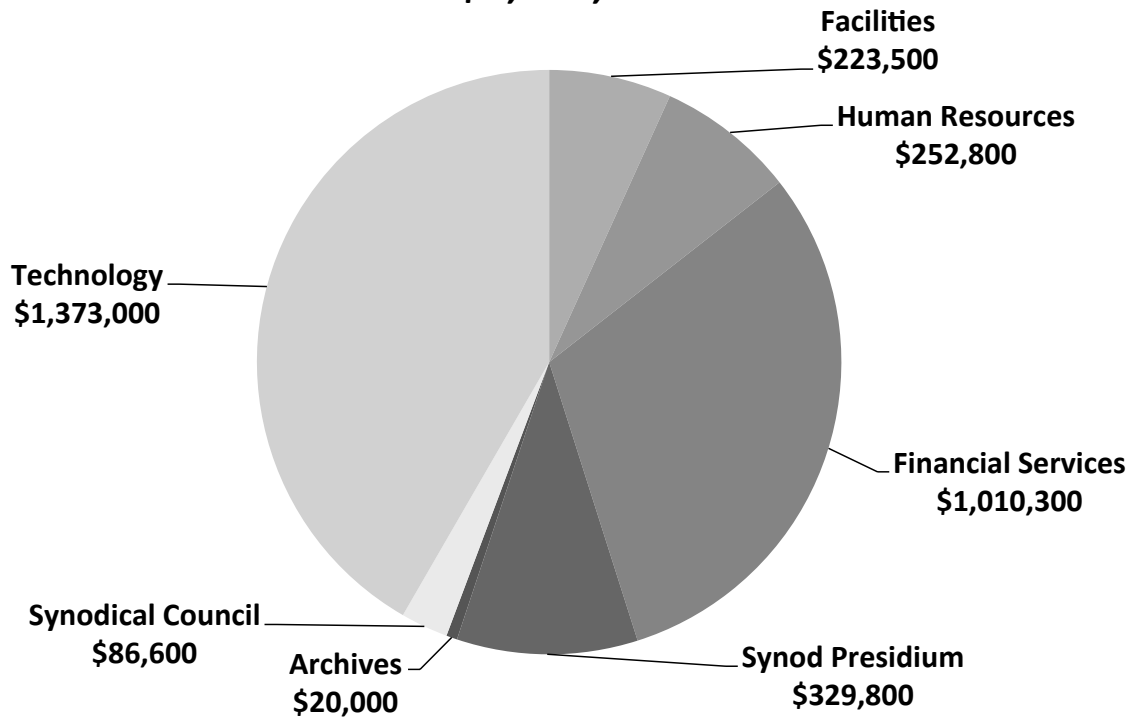
**FY 2018-19 Support
Ministry Support
\$4,684,400**



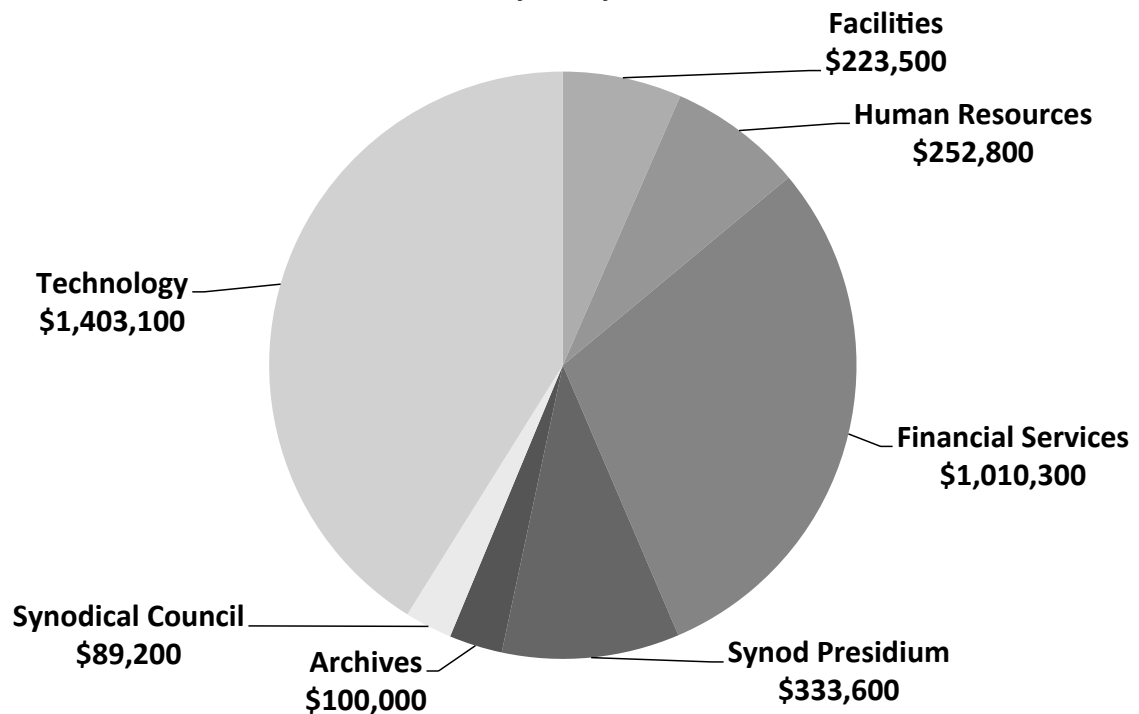
**FY 2018-19 Expenses
Ministry Support
\$4,684,400**



FY 2017-18 Synod Operating Support Allocation **Ministry Support** **\$3,296,000**



FY 2018-19 Synod Operating Support Allocation **Ministry Support** **\$3,412,500**



Financial results and plan

Floor Committee #7

Overview

The Lord continues to bless the synod with financial support through congregations, members, and supporting organizations. This support funds missions and ministerial education ministries, district and congregational support, and affiliated ministries.

The synod operates on a fiscal year (FY) that runs from July 1 to June 30. Financial reports include the synod's operating and special funds, as well as the synod's four ministerial education schools' operating and special funds. To provide a more comprehensive financial picture, starting with the 2017–19 biennium, the ministry financial plan reports will include three of the support services subsidiaries—WELS Church Extension Fund (CEF), WELS Foundation (FND), and WELS Investment Funds (WIF). Northwestern Publishing House (NPH) will be added to the plan beginning with the 2019–21 biennium. The support services subsidiaries are self-supporting organizations that do not receive financial support from the synod's operating plan. These subsidiaries cover their operating costs through fees, revenues, and some amount of gifts or bequests.

In addition to transparency improvements made over the years, the predictability of support for the ministry financial plan was enhanced by the establishment of the financial stabilization fund (FSF). The FSF holds all non-CMO (Congregation Mission Offerings) sources of support until the year after receipt. Establishment of this fund has worked as hoped; as a result, mid-year plan adjustments due to non-CMO support decreases have not been necessary during the fund's existence.

Fiscal year 2015–16 (FY16)

In FY16, unrestricted reserves for the synod and schools increased \$1.7 million compared to the planned decrease of nearly \$1.1 million. This increase or favorable variance is mainly the result of nearly \$2.4 million in gifts received from the "One in Christ" debt elimination offering, which was not a part of the approved plan. Tuition and fees were below plan due to lower enrollments at Martin Luther College and Michigan Lutheran Seminary, while investment earnings were also below plan. Helping to offset the impact of decreased revenues in these categories were lower than planned operating expenses for Ministry Support and Congregation and District Ministry, as well as lower special fund expenses for Home and World Missions. Temporarily restricted reserves decreased \$3.1 million, slightly more than the planned decrease of \$3.0 million due mainly to investment performance that fell short of plan.

For the year, the FSF received support of \$6.7 million and transferred \$7.7 million to the Operating Fund for synod support funding of missions, ministry, and ministry support services. At year end, the FSF balance remained healthy at \$11.6 million, down \$1.0 million from the prior year. While the balance is healthy, spending more than annual receipts is not sustainable in the long term.

CMO—the synod's cornerstone for financial support—increased 1.1 percent in 2015 but subscriptions pointed to a 1.8 percent decrease for 2016. As demonstrated in the chart on p. 129, CMO has been essentially flat for 10 years. Had CMO grown 3 percent annually there would be \$8 million more per year available for ministry. To maintain ministries at current levels, the debt was retired, reserves were used, and cost savings implemented.

A comprehensive report on the synod operating fund, special funds, the schools, and the FSF results for FY16 can be found at cloud.wels.net on the "Finance" site under "Financial Reports."

Fiscal year 2016–17 (FY17)

Similar to FY16, areas of ministry and the schools were asked to maintain flat levels of synod support in the FY17 plan. CMO levels were projected to decrease 1.8 percent in 2016 based off subscriptions. However, CMO for the fiscal year remained in line with plan due to the increase of 1.1 percent realized in 2015 when a 1.8 percent decrease had been planned. The plan also included a \$2.2 million increase in the FSF due mainly to a one-time grant expected resulting from the termination of a gifted interest in an LLC.

Through December, overall financial performance for WELS and the schools has been generally favorable compared to the plan. CMO receipts, however, may be less than planned for the fiscal year. 2016 CMO receipts were 0.3 percent below subscriptions and 2.1 percent below the prior year. Subscriptions for 2017 point to an increase of 0.8 percent, which is slightly below the 1 percent included in the plan.

Although CMO is anticipated to fall short of plan for the fiscal year based on 2016 results and 2017 subscriptions, unrestricted reserves have increased nearly \$5.0 million compared to a planned decrease, and temporarily restricted reserves have decreased \$258,000 compared to much larger planned use of reserves. While most of the improvement in reserves can be attributed to timing of support received compared to expenses, the projection for the year remains favorable. The final payment on the synod debt was lower than planned due to gifts received, and cost savings are anticipated in both operating and special fund expenses. Investment performance has also improved this year and is currently trending higher than planned. We continue to be hopeful that congregations will exceed CMO subscriptions for the year, as has been the case in four out of the last five years.

The planned increase in the FSF will not be as expected due to updated instructions from the donor regarding the termination of the gifted interest in the LLC. A lump sum payment is no longer expected during FY17; rather, the proceeds are likely to be received over a ten-year period beginning next fiscal year. Additional one-time events including the designation of previously undesignated net assets and the proceeds from the sale of a closed church's property, will likely still result in the FSF balance ending the fiscal year with a surplus that is anticipated to be nearly \$1 million short of the plan.

Operating Fund								
	Actual FY 2015-16	Plan FY 2015-16	Variance Favorable/(Unfavorable)		Feb-17 Forecast FY 2016-17	Plan FY 2016-17	Variance Favorable/(Unfavorable)	
			Amount	Percent			Amount	Percent
Support								
Gifts from Congregations -								
Actual/Forecast	\$ 21,375,138	\$ 20,989,000	\$ 386,138	1.8%	\$ 21,048,000	\$ 21,198,900	\$ (150,900)	-0.7%
Financial Stabilization Fund	7,739,612	8,485,700	(746,088)	-8.8%	6,954,300	7,535,200	(580,900)	-7.7%
Total Subsidy Support	29,114,750	29,474,700	(359,950)	-1.2%	28,002,300	28,734,100	(731,800)	-2.5%
Synod Support of -								
Home Missions	5,692,862	5,705,900	(13,038)	-0.2%	5,705,900	5,705,900	-	0.0%
World Missions	5,810,999	5,811,000	(1)	0.0%	5,893,000	5,893,000	-	0.0%
Ministerial Education	8,252,667	8,132,550	120,117	1.5%	8,132,550	8,132,550	-	0.0%
Congregation & District Ministry	4,812,498	4,983,200	(170,702)	-3.4%	4,987,000	5,082,300	(95,300)	-1.9%
Ministry Support	2,945,724	3,242,050	(296,326)	-9.1%	3,063,850	3,245,350	(181,500)	-5.6%
Debt Repayment	1,600,000	1,600,000	-	0.0%	220,000	675,000	(455,000)	-67.4%
Total Expenses	29,114,750	29,474,700	(359,950)	-1.2%	28,002,300	28,734,100	(731,800)	-2.5%
Surplus (Deficit)	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	

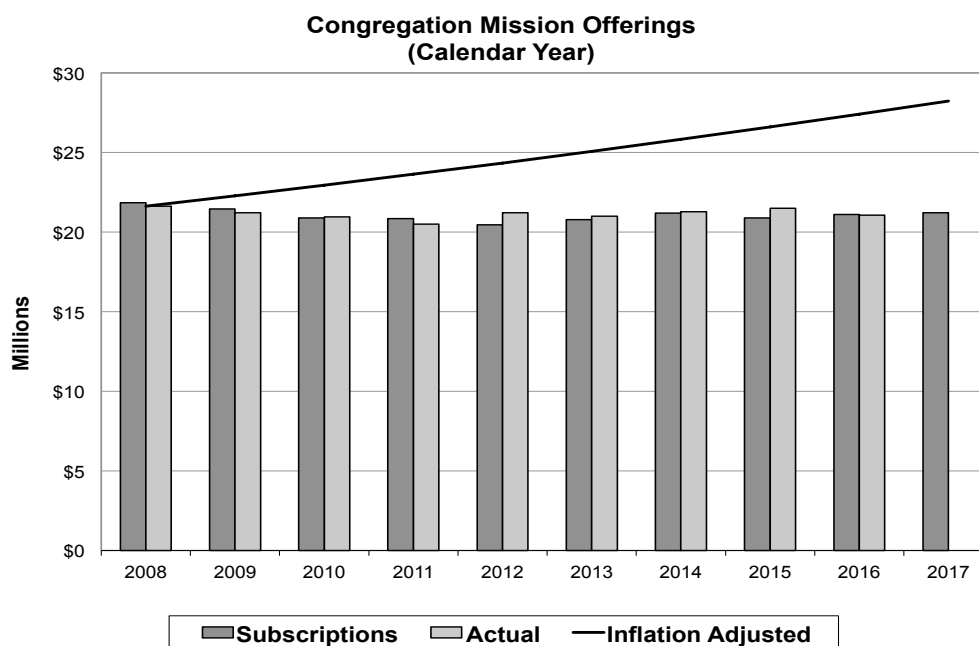
Financial Stabilization Fund								
	Actual FY 2015-16	Plan FY 2015-16	Variance Favorable/(Unfavorable)		Feb-17 Forecast FY 2016-17	Plan FY 2016-17	Variance Favorable/(Unfavorable)	
			Amount	Percent			Amount	Percent
Beginning Balance	\$ 12,582,372	\$ 12,582,372	\$ -	0.0%	\$ 11,533,559	\$ 11,533,559	\$ -	0.0%
Additions:								
Foundation Grants	2,182,500	2,085,000	97,500	4.7%	3,140,000	3,277,893	(137,893)	-4.2%
LLC Store Sales/Lease Termination	815,000	-	815,000	0.0%	-	2,900,000	(2,900,000)	0.0%
Gifts from Individuals								
Mission & Ministry	-	-	-	0.0%	75,000	250,000	(175,000)	-70.0%
Walking Together/Mission Partners	84,683	75,000	9,683	12.9%	100,000	-	100,000	0.0%
Gifts and Memorials	1,052,628	800,000	252,628	31.6%	2,220,000	800,000	1,420,000	177.5%
Total Gifts from Individuals	1,137,311	875,000	262,311	30.0%	2,395,000	1,050,000	1,345,000	128.1%
Unrestricted Bequests	1,448,804	1,550,000	(101,196)	-6.5%	1,550,000	1,550,000	-	0.0%
Investment Income	860,213	775,000	85,213	11.0%	810,000	750,000	60,000	8.0%
Endowment Distribution	60,051	58,000	2,051	3.5%	90,000	61,000	29,000	47.5%
Other Revenue	186,920	175,000	11,920	6.8%	190,000	200,000	(10,000)	-5.0%
Total Additions	6,690,799	5,518,000	1,172,799	21.3%	8,175,000	9,788,893	(1,613,893)	-16.5%
Transfer Out- Operating	(7,739,612)	(8,485,700)	746,088	-8.8%	(6,954,300)	(7,535,200)	580,900	-7.7%
Ending Balance	\$ 11,533,559	\$ 9,614,672	\$ 1,918,887	20.0%	\$ 12,754,259	\$ 13,787,252	\$ (1,032,993)	-7.5%

Proposed ministry financial plan for 2017–19 biennium

As mentioned earlier in the report, the ministry financial plan for the first time includes three of the synod's ministry support services subsidiaries—WELS Church Extension Fund, WELS Foundation, and WELS Investment Funds. Detailed reports on the mission, purpose, and activities of each subsidiary can be found beginning on p. 199. These subsidiaries are primarily funded by charging fees for the services they provide and do not receive synod support. The subsidiaries' financial activities are being included in the ministry financial plan to provide a clear picture of the financial scope and condition of the synod.

Planning for the 2017–19 biennium was initiated in spring 2016, about 14 months before the start of the biennium. With CMO levels uncertain, the Synodical Council recommended that synod support funding remain flat at FY17 levels for each year of the upcoming biennium. The Synodical Council asked the synod president to work with the areas of ministry to draft an initial ministry financial plan within these levels for review at its fall 2016 meeting. With this general direction by the Synodical Council, the areas of ministry, schools, and support services subsidiaries, working with their boards and commissions, proceeded to develop their ministry plans with the goal of maintaining existing ministry or carefully expanding where levels of available resources, reserves, or special gifts and grants allowed.

For most areas, developing a flat budget for the second consecutive biennium, while maintaining existing ministry, proved challenging in the face of modest wage increases and other cost increases for benefits, insurances, and utilities. With CMO support forecasted to increase at just a fraction of cost increases, additional funding would be needed, or ministry would need to be reduced. When the Synodical Council met in fall 2016, it was determined that ministry needs justified a greater use of reserves, and small increases in synod support were approved. Increases of \$246,100 (1 percent in FY18) and \$587,100 (2 percent in FY19) were approved to maintain existing ministries, accommodate support for the Ukrainian Lutheran Church, allow for the addition of a director of discipleship, and allow for the addition of a Christian Giving counselor in the second year of the biennium.



Historical levels of CMO have been relatively flat to slightly declining since 2008. 2017 CMO subscriptions are \$21.2 million or 1.9 percent below CMO receipts from 2008, and nearly \$7 million behind a 3 percent inflation-adjusted level. The ministry financial plan includes CMO increases of 0.5 percent annually, based on average increases experienced over the last several years.

Communicant members in 2016 number approximately 292,000, nearly 6 percent below the 309,000 communicant members in 2008. Membership has been declining approximately 1 percent per year since 2008, and likewise the base of financial support for the work of the synod is also shrinking.

In February 2017, the synod president submitted a ministry financial plan to the Synodical Council for consideration. The proposed plan for FY18 includes synod support of nearly \$29 million, other expenses in areas of ministry and at the schools of \$44.5 million, and \$7.8 million of expense at the subsidiaries for a total ministry financial plan of \$81.3 million. The FY19 proposed plan includes synod support of \$29.2 million, other expenses in areas of ministry and at the schools of \$44.8 million, and \$7.9 million of expense at the subsidiaries for a total ministry financial plan of \$81.9 million.

The proposed financial plan relies on the drawdown of the Financial Stabilization Fund, approximately \$3.2 million over the biennium, and on areas of ministry and schools to use nearly \$4.0 million of reserves annually, in addition to other funding sources or one-time funds to sustain ongoing ministry.

Please refer to the area of ministry reports for the ministry financial plans for each area. Following is a summary of the support forecast and the proposed financial plan for each year of the biennium along with comparative information for the current biennium.

Support forecast

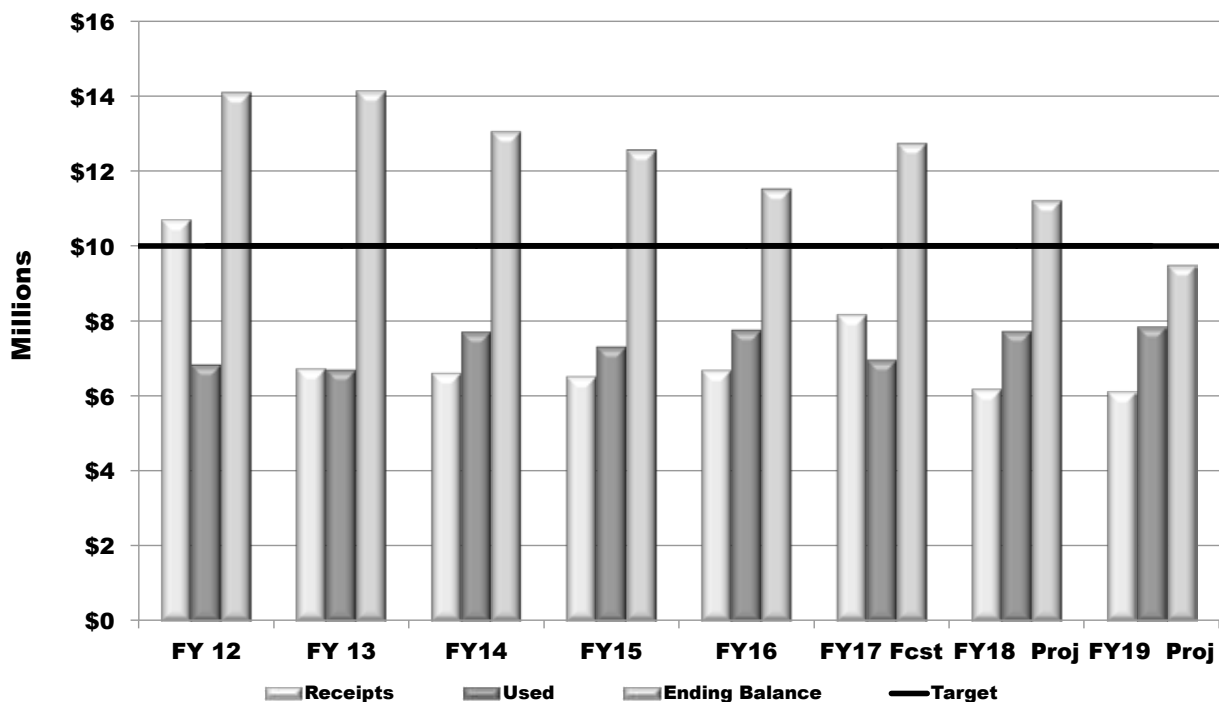
The support forecast for the biennium is based on the following trends and assumptions.

1. **CMO**—congregations will meet their calendar year 2017 subscriptions, which are 0.8 percent higher than 2016 receipts. CMO is planned to increase 0.5 percent for calendar years 2018 and 2019.
2. **FSF**—holds all unrestricted non-CMO support for the year or years after receipt and includes the following:
 - a. Foundation and other grants: Mainly Schwan Foundation and WELS Foundation grants
 - Schwan Foundation grants were determined based on a \$1.88 million grant provided for 2017 and are assumed to remain flat for 2018 and 2019.
 - WELS Foundation grants are based on the unrestricted net asset policy as adopted by the WELS Foundation Board with distributions of \$150,000 per year expected in 2018 and 2019.
 - Other grants tracked through the WELS Foundation include distributions from a gifted interest in an LLC, which is scheduled to terminate near the end of FY17. The final distribution is expected to be approximately \$6.8 million when the donated stores' leases terminate, with \$3 million to be directed to World Missions special funds and \$3.8 million designated to support general operations. What was, at one time, expected to be a lump sum distribution into the FSF for general operations, is now expected to be received in annual distributions over a ten-year period. The forecasts for FY18 and FY19 include support of \$380,000 annually. Guidance for the handling of these funds are still subject to change based on the donor's wishes.
 - b. Gifts from individuals: Includes Missions and Ministry, Mission Partners, Walking Together, and other gifts from individuals and congregations.
 - Missions and Ministry is a new program that is meant to be utilized by congregations as part of their annual mission festivals which accent the synod's ministry work at home and around the world. In addition, donors who previously gave towards Walking Together or debt elimination are encouraged to direct their gifts to this new program. Annual gifts of \$250,000 are forecasted for this program.
 - Gifts estimated at \$50,000 annually are anticipated for the Mission Partners program.
 - Other gifts are based on current trends showing relatively flat levels over the last few years and assumptions that donors will continue to prefer to direct their gifts to specific ministries. These gifts are forecasted to be \$900,000 annually.
 - c. Unrestricted bequests: Represents estate gifts to the ministry and/or mission of WELS and is based on the conservative end of actual gifts received during the prior five-year period recognizing that donors are better informed of the opportunity to restrict their estate gifts to a specific ministry. Unrestricted bequests are estimated at \$1,550,000 annually for the upcoming biennium.
 - d. Investment income: Represents returns on non-endowed funds, the continued investment in annuity contracts, and the anticipated decrease in investable reserves. Current annuity investments will terminate with the death of the annuitant. The plan recognizes that, when this situation occurs, these funds will be reinvested in other available options that will be at lower interest rates than what is provided through the annuity contract.
 - e. Endowment & other: Includes distributions from general endowment funds, as well as income for services provided, rental payments as defined by the building fund policy and the proceeds from our corporate credit card rebate program. Slight increases during the biennium were assumed.
3. **FSF ending balance**
 - a. Additions to the FSF are planned at \$6.2 million for FY18. With a 1 percent increase in the planned synod support

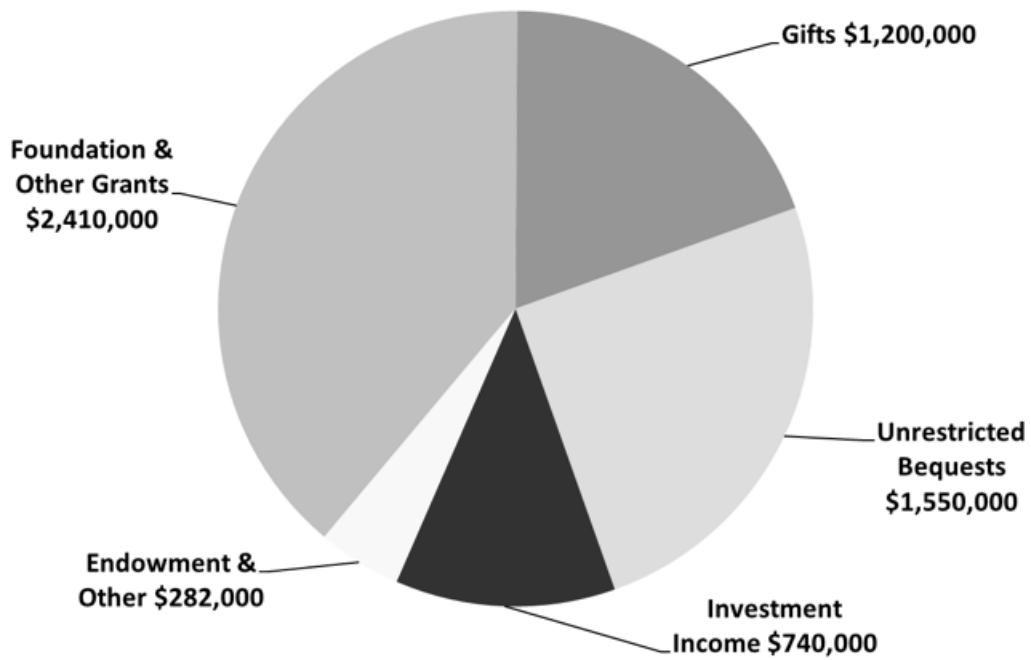
level and a 0.5 percent planned increase in CMO, transfers out of the FSF are planned at \$7.7 million, resulting in a decrease in the FSF of \$1.5 million to an ending balance of \$11.2 million.

- b. Additions to the FSF are planned at \$6.1 million for FY19. With an additional 1 percent increase in synod support, transfers out of the FSF are planned at \$7.8 million, decreasing the FSF by \$1.7 million to an ending balance of \$9.5 million.
- c. A critical assumption for the FSF balance in the upcoming biennium includes the estimated 0.5 percent increase in CMO in each year of the upcoming biennium. If congregations can exceed this increase, less will need to be transferred from the FSF to cover the synod's operating expenses. However, if CMO receipts fall short of this increase, additional transfers out of the FSF may be needed, which will draw the balance lower, or spending reductions may be necessary.

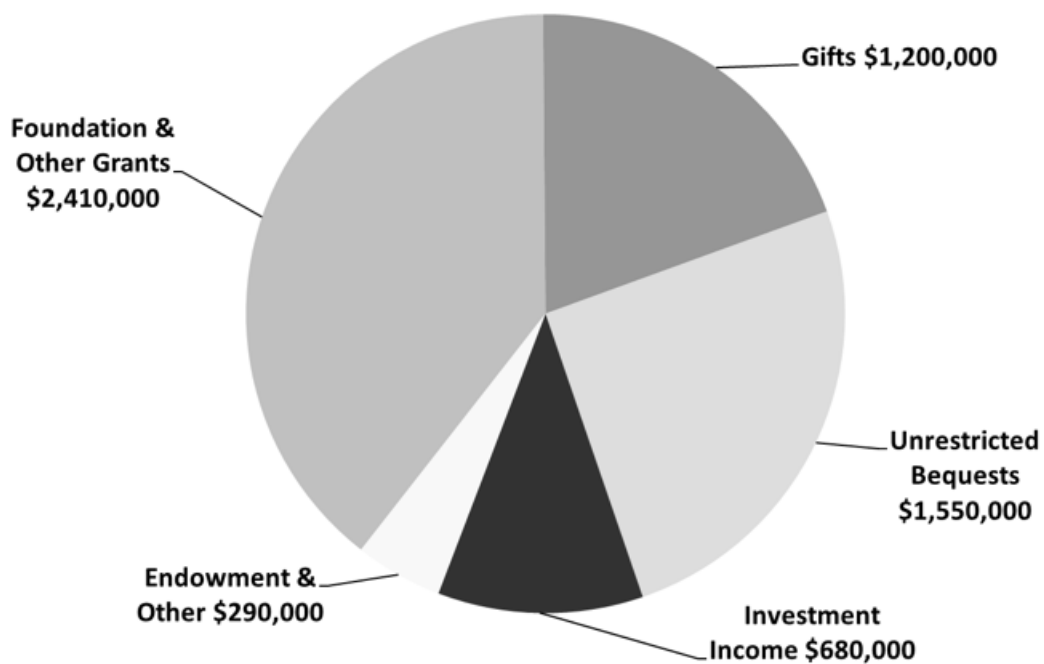
Financial Stabilization Fund



**FY 2017-18 Support
Financial Stabilization Fund
\$6,182,000**



**FY 2018-19 Support
Financial Stabilization Fund
\$6,130,000**



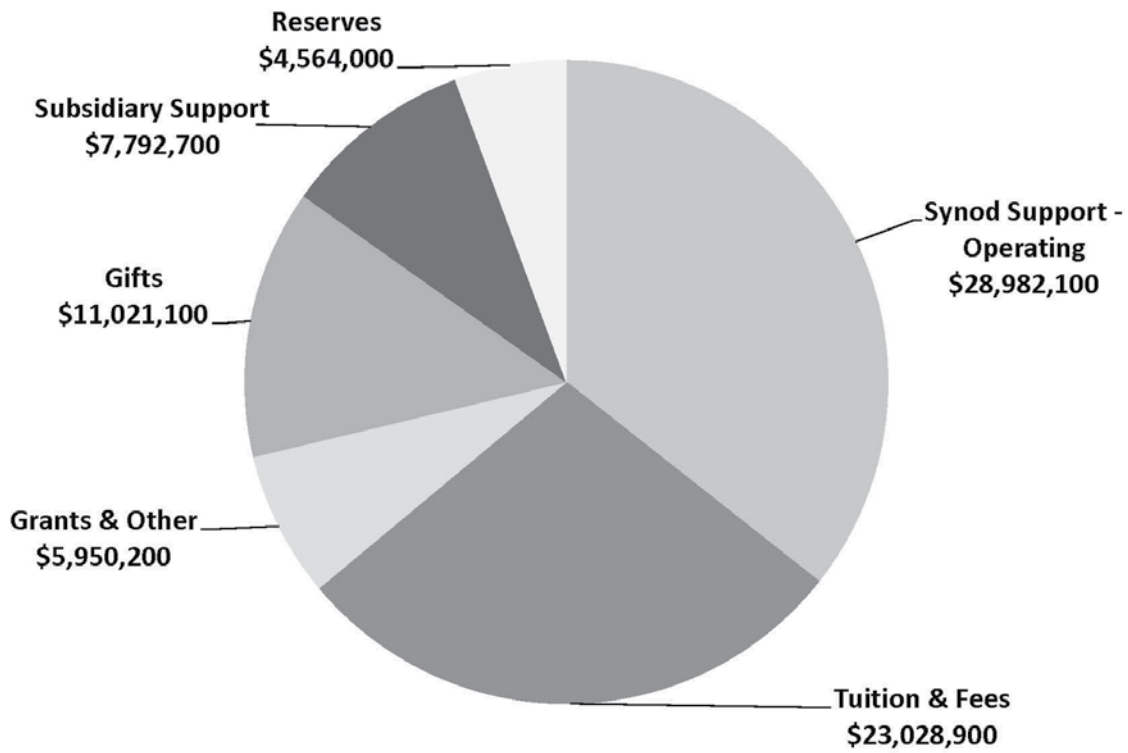
	Plan Summary											
	2015-16 Actual				2016-17 Plan				2017-18 Plan			
	Synod Support	Special, gifts, tuition, fees	Total Funding	FTE	Synod Support	Special, gifts, tuition, fees	Total Funding	FTE	Synod Support	Special, gifts, tuition, fees	Total Funding	FTE
SUMMARY												
Home Missions	5,692,862	2,678,790	8,371,592	10.40	5,705,900	3,270,700	8,976,600	10.40	5,556,000	4,598,495	10,154,495	11.50
World Missions	5,810,999	2,929,803	8,740,802	52.60	5,893,000	3,987,290	9,880,290	51.35	6,553,000	3,723,276	10,276,276	51.25
Ministerial Education	8,252,667	30,037,230	38,289,897	328.95	8,132,550	30,897,239	39,029,789	333.05	8,133,000	32,427,114	40,560,114	335.45
Congregation & District Ministry	4,812,499	1,714,636	6,527,135	38.35	5,082,300	1,795,530	6,877,830	38.40	5,444,100	2,463,250	7,907,350	39.30
Ministry Support	2,945,724	1,604,259	4,549,983	26.95	3,245,350	1,983,300	5,228,650	29.20	3,296,000	1,351,936	4,647,936	27.20
Debt Retirement	1,600,000	-	1,600,000		675,000	-	675,000		-	-	-	
TOTAL	29,114,751	38,964,658	68,079,409	457.25	28,734,100	41,334,059	70,068,159	462.40	28,982,100	44,564,071	73,546,171	464.70
Synod Support												
Home Missions	5,692,862	19.6%			5,705,900	19.9%			5,556,000	19.2%		
World Missions	5,810,999	20.0%			5,893,000	20.5%			6,553,000	22.6%		
Ministerial Education	8,252,667	28.3%			8,132,550	28.3%			8,133,000	28.1%		
Congregation & District Ministry	4,812,499	16.5%			5,082,300	17.7%			5,444,100	18.8%		
Ministry Support	2,945,724	10.1%			3,245,350	11.3%			3,296,000	11.4%		
Debt Retirement	1,600,000	5.5%			675,000	2.3%			-	0.0%		
TOTAL	29,114,751				28,734,100				28,982,100			
Total Funding												
Home Missions	8,371,592	12.3%			8,976,600	12.8%			10,154,495	13.8%		
World Missions	8,740,802	12.8%			9,880,290	14.1%			10,276,276	14.0%		
Ministerial Education	38,289,897	56.2%			39,029,789	55.7%			40,560,114	55.1%		
Congregation & District Ministry	6,527,135	9.6%			6,877,830	9.8%			7,907,350	10.8%		
Ministry Support	4,549,983	6.7%			4,628,650	6.6%			4,647,936	6.3%		
Debt Retirement	1,600,000	2.4%			675,000	1.0%			-	0.0%		
TOTAL	68,079,409				70,068,159				73,546,171			
Support Services Subsidiaries												
WELS Church Extension Fund												
WELS Foundation												
WELS Investment Funds												
TOTAL												
TOTAL WELS & SUBSIDIARIES												

Plan Summary

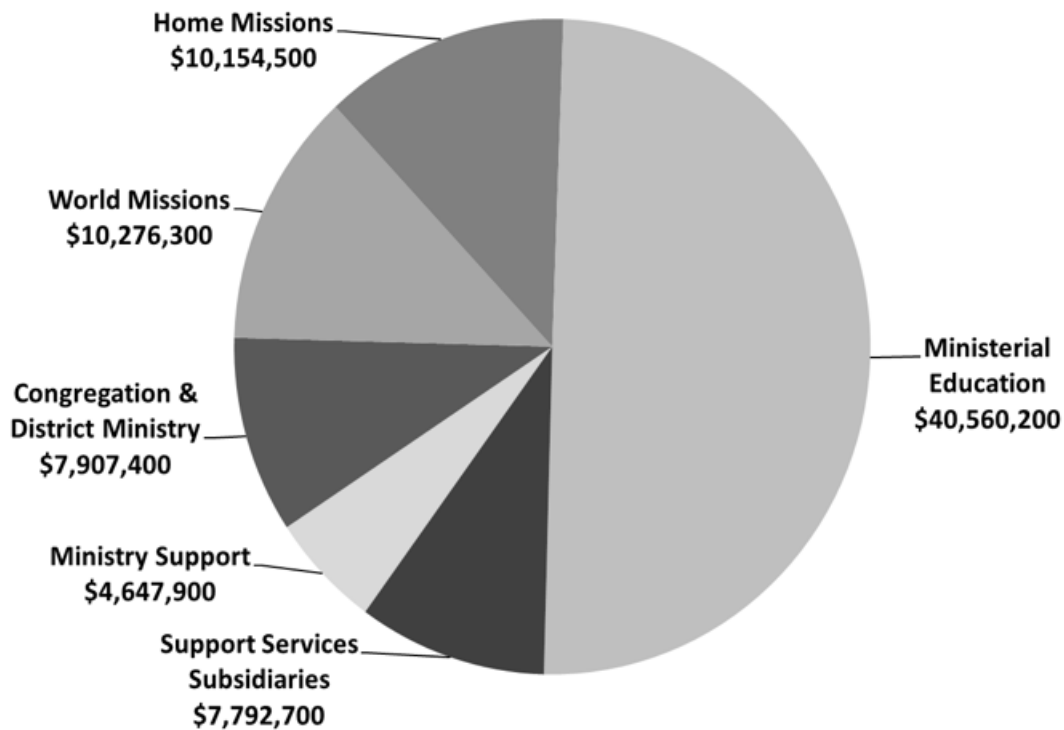
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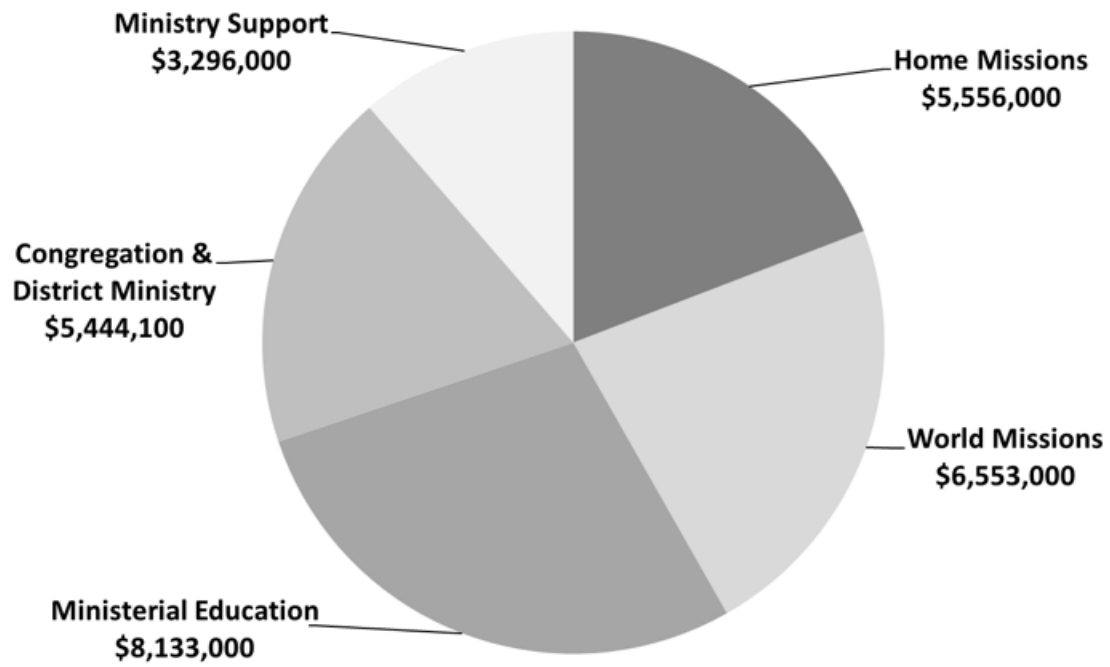
FY 2017-18 Total Ministry Plan Support \$81,339,000



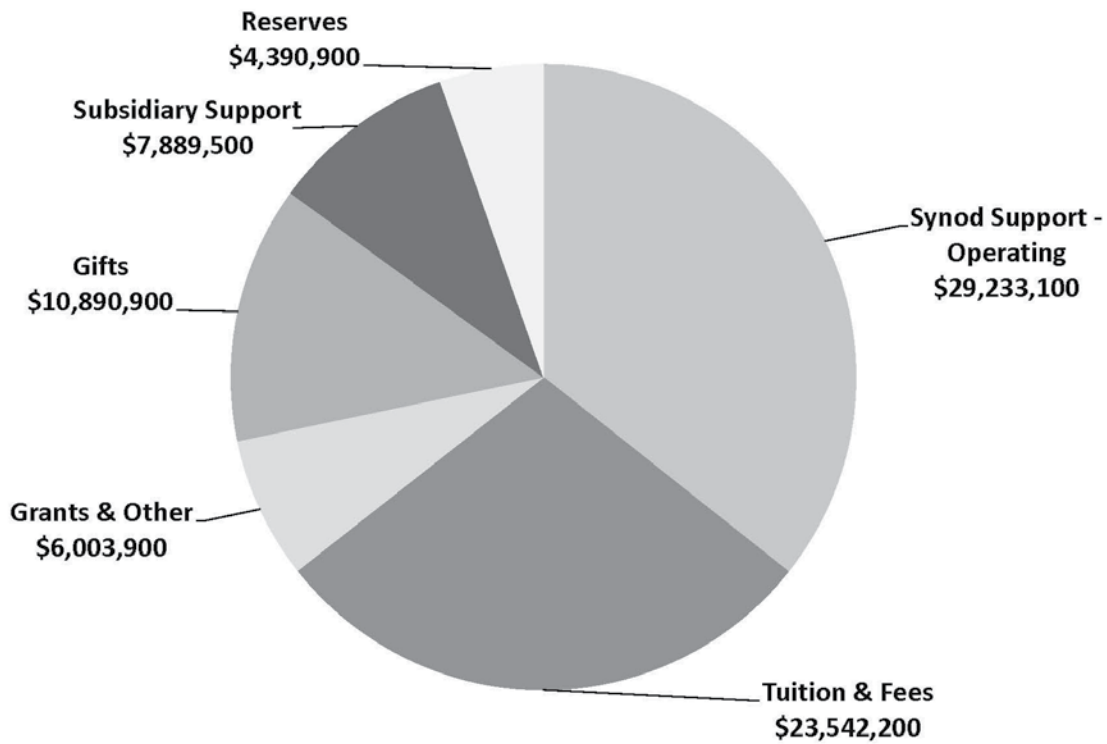
FY 2017-18 Total Ministry Plan Expenses \$81,339,000



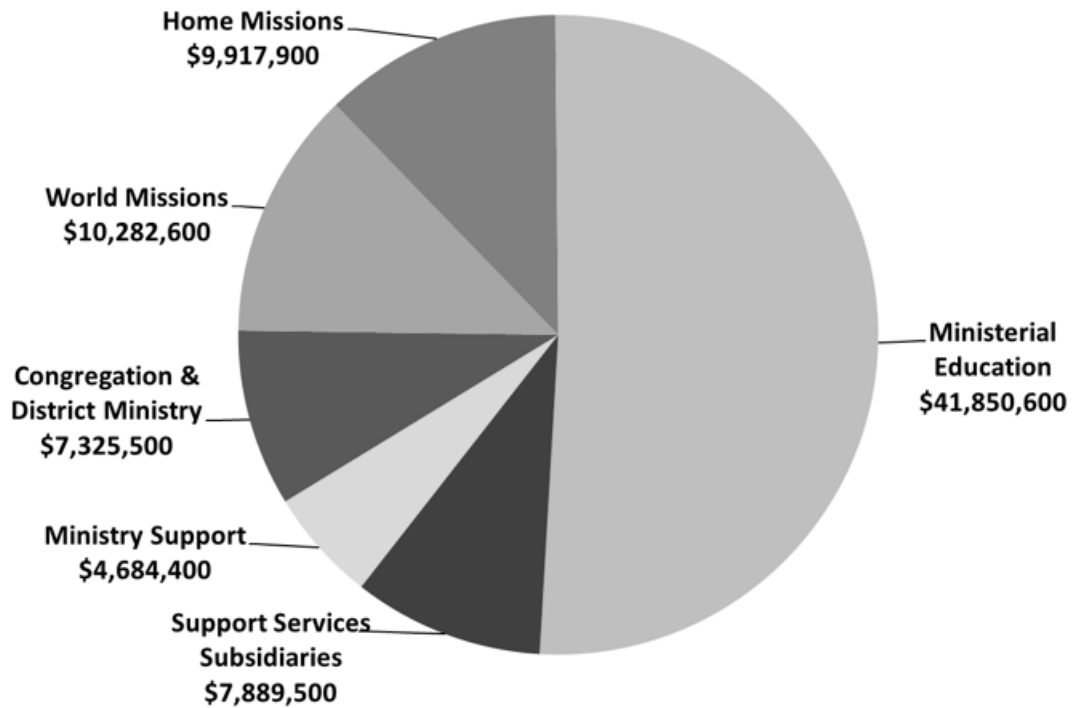
**FY 2017-18 Synod Operating Support Allocation
\$28,982,100**



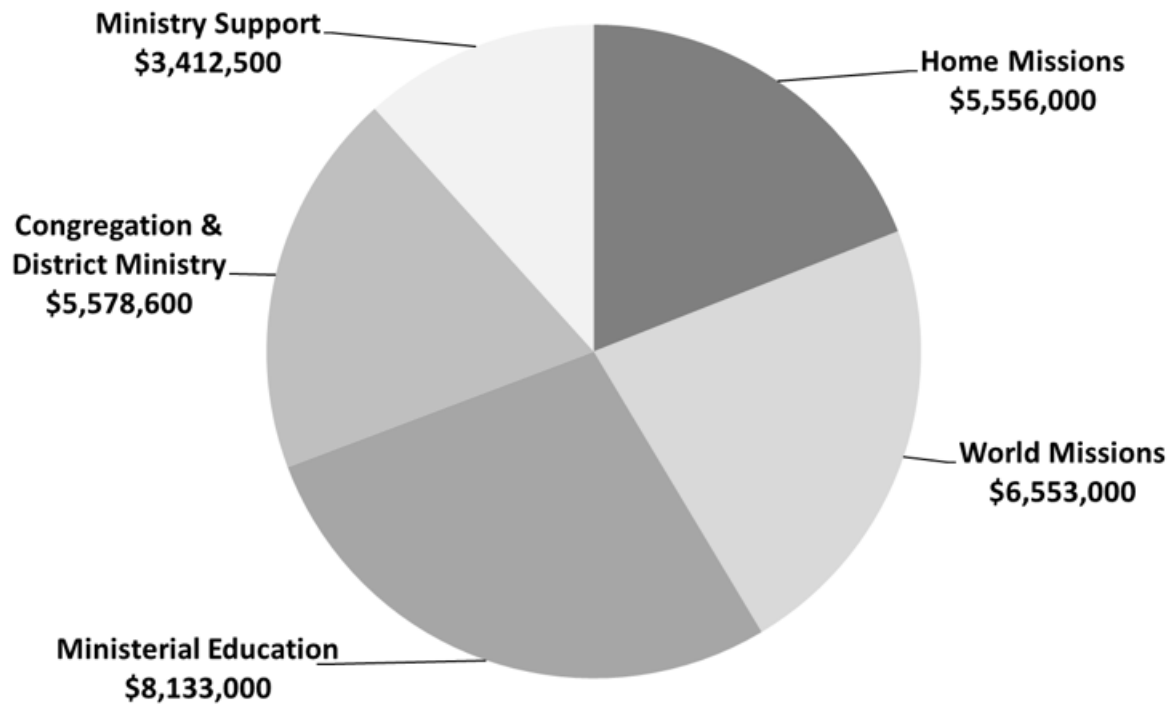
**FY 2018-19 Total Ministry Plan Support
\$81,950,500**



**FY 2018-19 Total Ministry Plan Expenses
\$81,950,500**



FY 2018-19 Synod Operating Support Allocation
\$29,233,100



WISCONSIN EVANGELICAL LUTHERAN SYNOD
Consolidating Schedule of Financial Position
June 30, 2016

Assets	WELS	MLC	WLS	MLS	LPS	CEF	Foundation	WIF	NPH	Eliminations	Consolidated
Cash and cash equivalents	\$ 28,147,617	\$ 7,475,156	\$ 1,680,867	\$ 32,040	\$ 1,110,317	\$ 9,481,150	\$ 1,415,112	\$ 463,485	\$ 1,236,538	\$ -	\$ 51,022,291
Cash restricted for gift annuities and trusts payable	-	-	-	-	-	-	18,535	-	-	-	18,535
Accounts receivable, net	453,164	57,257	28,408	68,578	900	13,794	883,700	510	572,226	(15,042)	2,040,592
Gifts and bequests receivable, net	321,483	92,717	-	-	22,689	151,088	246,367	-	-	-	834,344
Accrued interest receivable	-	-	-	-	-	428,523	-	501	-	-	429,064
Inventories	-	125,530	75,209	40,693	15,229	-	-	-	1,881,652	-	2,138,373
Mortgages and land contracts receivable	-	-	-	-	-	-	-	-	-	-	-
Loans to students	-	1,040,289	16,684	26,723	-	29,203,560	126,377,833	176,769,452	2,362,718	(143,405,911)	1,049,289
Property and real estate held for sale, net	-	3,589,096	-	-	-	1,036,118	1,582,500	-	-	-	2,618,618
Loans receivable from congregations, net	-	-	-	-	-	136,282,601	-	-	-	(138,633)	136,143,969
Cash surrender value on life insurance policies	-	-	39,315	12,758	-	75,297	1,117,506	-	98,322	-	1,198,246
Assets held in trust - outside WELS	434,106	1,133,295	88,068	153,447	11,031	14,077	-	-	-	-	1,796,145
Other assets	538,378	252,398	1,650,451	19,734	142,467	1,168,163	-	-	-	(19,001,432)	-
Contributions receivable - Foundation (interest in net)	12,632,978	1,476,978	1,650,451	1,930,395	-	-	-	-	-	-	-
WELS Foundation	14,688,676	2,248,868	2,012,335	257,610	524,180	-	-	-	-	(19,731,769)	-
Interest in assets of WELS Foundation	18,276,541	10,053,913	12,101,763	1,271,552	1,722,658	-	-	-	-	(43,426,427)	-
Property, plant, and equipment, net	7,986,864	24,351,787	3,900,320	5,753,218	8,296,868	-	-	-	1,748,374	-	52,037,431
Investment in CEF certificates	10,209,874	-	1,155,564	-	-	-	-	-	1,310,320	(12,765,758)	-
Short term investments with WELS	-	-	-	-	-	-	-	-	-	-	-
Duo term rollover party	(1,797,147)	4,265,000	-	(568)	-	(84,522)	(34,687)	-	-	(2,348,006)	-
Collectors and works of art	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 91,980,534	\$ 56,199,571	\$ 22,747,040	\$ 9,560,189	\$ 11,846,348	\$ 177,809,869	\$ 131,584,056	\$ 179,234,008	\$ 9,150,150	\$ (240,893,068)	\$ 449,227,697
Liabilities and Net Assets											
Liabilities:											
Accounts payable	\$ 966,422	\$ 192,384	\$ 37,403	\$ 34,722	\$ 125,446	\$ 51,594	\$ 35,283	\$ -	\$ 139,488	\$ (63)	\$ 1,572,679
Accrued expenses and other liabilities	2,926,830	305,402	82,201	46,064	113,161	3,100,694	2,039	93,701	273,040	-	7,031,922
Deferred revenue	-	348,127	41,777	4,223	72,407	-	-	-	619,157	-	1,085,691
Retiree health benefits payable	1,792,303	-	-	-	-	77,982,132	-	-	-	(12,765,758)	1,792,303
Certificates payable	-	-	-	-	-	-	11,214,000	-	-	-	85,216,374
Liabilities to other beneficiaries	-	1,272,174	-	-	38,763	-	-	-	-	-	12,460,174
Deposits held in custody	-	21,287	-	-	-	-	-	-	-	-	109,104
Liabilities to outside agencies and organizations	2,103,630	84,985	-	-	-	-	-	-	-	35,665,731	37,854,346
Gift annuities and trusts payable	-	859,916	-	-	-	-	24,554,333	-	-	(4,265,000)	24,554,333
U.S. Government grants refundable	4,265,000	4,265,000	-	-	-	-	-	-	-	-	859,916
Bonds payable	(3,699,967)	875,206	190,083	253,223	(126,954)	401,105	43,770,469	-	-	(41,663,135)	4,265,000
Due to related party	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	8,344,168	8,304,481	355,403	394,127	222,843	81,543,515	79,578,124	93,701	1,031,685	(23,028,225)	156,827,842
Net assets:											
Unrestricted	\$2,521,667	\$6,520,542	\$6,224,775	(240,672)	1,218,386	\$9,040,019	12,749,850	179,140,307	7,963,965	(137,435,883)	178,613,066
Temporarily restricted	20,098,654	31,526,265	8,019,617	8,434,820	9,249,645	1,243,448	20,612,402	-	134,500	(62,411,192)	42,908,159
Permanently restricted	25,016,025	9,848,283	8,147,245	999,914	1,155,474	25,082,887	18,945,080	-	-	(16,017,708)	70,877,740
Total net assets	\$3,636,346	\$17,895,090	\$22,391,637	\$9,185,062	\$11,623,505	\$16,266,354	\$52,007,932	\$179,140,307	\$8,118,465	\$217,864,843	\$292,399,855
Total liabilities and net assets	\$ 91,980,534	\$ 56,199,571	\$ 22,747,040	\$ 9,560,189	\$ 11,846,348	\$ 177,809,869	\$ 131,584,056	\$ 179,234,008	\$ 9,150,150	\$ (240,893,068)	\$ 449,227,697

WISCONSIN EVANGELICAL LUTHERAN SYNOD
Consolidating Schedule of Activities
Year Ended June 30, 2016

	WELS	MLC	WLS	MLS	LPS	CEF	Foundation	WIF	NPH	Eliminations	Consolidated
Member Support and Revenues											
Member support:											
Offerings from congregations	\$ 21,375,138	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,375,138
Gifts and memorials	4,747,116	738,315	440,534	92,137	223,455	111,893	534,512	-	-	(1,767,786)	8,149,775
Bequests	874,564	385,057	107,867	5,500	6,207	202,031	322,357	-	-	-	1,903,003
Total member support	26,996,838	1,123,372	608,401	97,637	229,662	313,724	856,869	-	-	(1,767,786)	28,458,717
Revenues:											
Net student tuition and fees	-	11,170,371	827,965	1,234,143	3,724,901	-	-	-	-	-	16,957,380
Activity fees and retail sales	2,217,895	939,346	55,651	202,226	171,562	-	-	29,268,995	5,237,939	(29,943,839)	8,149,775
Interest and dividends	861,311	229,050	170,079	2,593	42,109	6,218,721	102,525	4,223,657	87,479	(3,697,322)	8,240,212
Net realized and unrealized gain on investments	-	(53,501)	(123,431)	-	(9,567)	(541,612)	1,536,881	(4,293,489)	(51,186)	4,293,489	757,584
Change in value of trust agreements	-	(84)	-	734	-	-	(188)	-	-	-	462
Redesignated fixed asset additions	-	-	-	-	-	-	-	-	-	-	-
Change in value - endowments	(173)	-	(3,057)	-	-	-	(6,892)	-	-	-	(10,122)
Other	112,895	81,556	13,026	5,770	83,352	-	1,353,645	-	289,772	(9,638)	1,796,372
Transfers from other funds	8,522,893	3,453,334	2,165,138	1,520,642	2,881,858	-	-	-	-	(18,543,865)	-
Total revenues	11,714,821	15,820,072	3,105,371	2,066,108	6,894,215	5,543,103	2,985,071	20,100,173	5,564,004	(47,901,175)	35,891,663
Donor redesignation	-	-	-	-	-	-	-	-	-	-	-
Net assets released from restrictions	9,320,991	2,489,529	1,401,138	504,701	1,156,501	62,840	2,701,441	-	107,500	(4,108,369)	13,590,312
Total member support and revenues	48,032,650	19,442,973	5,114,910	3,568,446	8,280,438	5,919,667	6,544,281	29,199,173	5,671,504	(53,837,350)	77,936,662
Expenses											
Program services:											
Ministerial education	9,130,800	19,518,183	5,403,860	3,047,860	8,208,960	-	-	-	-	(11,201,164)	34,027,607
World missions	8,740,803	-	-	-	-	-	-	-	-	(211,327)	8,529,476
Home missions	8,371,591	-	-	-	-	-	-	-	-	(645,792)	7,725,799
Congregational and district ministries	6,527,133	-	-	-	-	-	-	-	-	(118,234)	6,408,899
Northwestern Publishing House	-	-	-	-	-	-	-	-	6,569,865	(63,644)	6,506,221
Total program services	32,779,426	19,518,183	5,403,860	3,947,860	8,208,960	-	-	-	6,569,865	(12,330,161)	64,098,002
Support services:											
Ministry support - subsidiaries	-	-	-	-	-	4,428,815	1,849,066	627,683	-	(980,520)	5,925,044
General and administrative	12,505,292	-	-	-	-	-	4,156,370	21,118,121	-	(7,046,509)	4,650,763
Transfers to other funds	-	-	-	-	-	-	-	-	-	(25,274,491)	-
Total support services	12,505,292	-	-	-	-	-	4,156,370	21,118,121	-	(33,903,520)	10,781,827
Total expenses	45,284,718	19,518,183	5,403,860	3,947,860	8,208,960	4,428,815	6,005,436	21,745,804	6,569,865	(46,233,681)	74,879,829
Change in Net Assets	2,747,932	(75,210)	(288,959)	(379,414)	71,478	1,490,852	538,845	7,453,369	(896,361)	(7,603,669)	3,056,863
Net Assets (deficit) - Beginning of Year	29,173,735	6,995,752	6,513,734	129,742	1,146,908	68,449,167	12,211,005	171,696,938	8,882,326	(129,832,214)	175,557,093
Net Assets - End of year	\$ 32,521,667	\$ 6,520,542	\$ 6,224,775	\$ (249,672)	\$ 1,218,386	\$ 69,940,019	\$ 12,749,850	\$ 179,140,307	\$ 7,983,965	\$ (137,435,883)	\$ 178,613,956

WISCONSIN EVANGELICAL LUTHERAN SYNOD
Consolidating Schedule of Activities
Year Ended June 30, 2016

	WELS	MLC	WLS	MLS	LPS	CEF	Foundation	WIF	NPH	Eliminations	Consolidated
Member Support and Revenues											
Member support:											
Gifts and memorials	\$ 6,330,551	\$ 613,137	\$ 656,606	\$ 69,396	\$ 567,745	\$ -	\$ 534,836	\$ -	\$ 237,000	\$ -	\$ 9,009,271
Bequests	189,310	65,811	34,221	87,697	-	-	-	-	-	-	377,039
Total member support	6,519,861	678,948	690,827	157,093	567,745	-	534,836	-	237,000	-	9,386,310
Revenues:											
Activity fees and retail sales	436,604	370,589	132,252	31,505	22,797	-	1,490,425	-	-	(7)	2,484,175
Interest and dividends	(460,456)	(182,922)	(158,129)	(36,600)	(25,531)	-	(1,835,087)	-	-	(19,249)	(2,717,974)
Net realized and unrealized gain (loss) on investments	856,458	90,300	(18,547)	-	542	18,608	930,251	-	-	(1,014,894)	862,718
Change in value of trust agreements	-	966,116	101,931	58,394	822,153	-	-	-	-	(1,948,594)	-
Redesignated fixed asset additions	173	-	3,057	-	-	-	6,892	-	-	-	10,122
Change in value - endowments below historical gift value	50,423	-	-	-	-	-	465,069	-	-	-	515,492
Other	-	-	-	-	-	-	-	-	-	-	-
Transfers from other funds	883,202	1,244,093	-	53,299	819,961	18,608	1,057,550	-	-	(60,301)	1,154,533
Total revenues	(9,320,901)	(2,499,529)	(1,401,138)	(504,701)	(1,156,561)	(62,840)	(2,701,441)	-	-	(3,043,045)	20,001
Donor redesignation	(1,917,920)	(570,400)	(569,440)	(294,309)	231,145	(44,232)	(1,009,054)	-	(107,500)	4,168,389	(3,025,469)
Net assets released from restrictions	28,016,582	32,102,753	8,609,063	8,729,129	9,018,500	1,287,680	21,701,456	-	5,000	(63,536,536)	45,933,627
Change in Net Assets	26,098,654	31,526,265	8,019,617	8,434,820	9,249,645	1,243,448	20,612,402	\$ -	\$ 134,500	(62,411,192)	\$ 42,908,159
Net Assets - Beginning of year	-	-	-	-	-	-	-	-	-	-	-
Net Assets - End of year	-	-	-	-	-	-	-	-	-	-	-

WISCONSIN EVANGELICAL LUTHERAN SYNOD
Consolidating Schedule of Activities
Year Ended June 30, 2016

	WELS	MLC	WLS	MLS	LPS	CEF	Foundation	WIF	NPH	Eliminations	Consolidated
Member Support and Revenues											
Member support:											
Gifts and memorials	\$ 129,316	\$ 224,625	\$ 364,967	\$ -	\$ 4,130	\$ -	\$ 251,852	\$ -	\$ -	\$ -	\$ 974,590
Bequests	78,349	177,033	1,100	-	(346)	-	414,214	-	-	-	670,410
Total member support	207,665	401,658	365,767	-	3,784	-	666,126	-	-	-	1,645,000
Revenues:											
Change in value of trust agreements	394,185	15,955	74,121	67,443	161,109	-	48,223	-	-	(718,821)	42,215
Other	-	-	(294)	-	-	-	(952)	-	-	-	(1,246)
Transfers from other funds	-	-	-	-	-	-	-	-	-	-	-
Total revenues	394,185	15,955	73,827	67,443	161,109	-	47,271	-	-	(718,821)	40,969
Donor redesignation	-	-	-	-	-	-	(20,001)	-	-	-	(20,001)
Net assets released from restrictions	601,850	417,613	439,594	67,443	164,893	-	693,396	-	-	(718,821)	1,665,968
Change in Net Assets	24,414,175	9,430,670	7,707,651	932,471	690,581	25,082,887	17,952,284	-	-	(17,298,947)	69,211,772
Net Assets (deficit) - Beginning of year	-	-	-	-	-	-	-	-	-	-	-
Net Assets - End of year	25,016,025	9,848,283	8,147,245	999,914	1,155,474	25,082,887	18,645,690	\$ -	\$ -	(18,017,768)	\$ 70,877,740

Current synodical salary range assignments*

Teacher	A-C
Principal	B-D
Prep professor	B-D
Staff minister	B-D
Prep vice president	C-E
Prep dean	C-E
College professor	C-E
Home missionary	C-E
World missionary	C-E
Associate administrator	C-E
Mission counselor	C-E
Pastor	C-E
Prep president	D-F
College vice president	D-F
College dean	D-F
Seminary professor	D-F
Seminary vice president	D-F
Administrator	D-F
College president	E-G
Seminary president	E-G

*** Subject to change per Compensation Review Committee proposal detailed on pp. 100-122.**

Note: A periodic review (minimally once per year) should be undertaken to evaluate an individual's compensation level. Changing call responsibilities and educational levels may lead to a salary adjustment.

Above base compensation components for called workers

1. Cost of living adjustment using Council for Community and Economic Research (C2ER) or similar COLA index.
2. Cash housing allowance if not provided housing (using HUD Fair Market Rental Values established upon hire date + adjusted annually based on the percent change for the salary matrix. For 2017–18 and 2018–19 this adjustment would be .75%).
3. Social Security allowance (7.65% of salary, cost of living, and housing value/cash housing/fair market rental of parsonage-teacherage).
4. Housing equity of 2% of entry-level base for workers in provided housing (parsonage/teacherage).
5. VEBA health insurance.
6. WELS Pension.
7. Reimbursement for business-related expenses such as travel and conferences.

Note: A web-based compensation calculator tool is available at wels.net/cwcompcalc.

Compensation for synod president and congregational support for vice presidents

The synod president is compensated with a salary based on column "H." In addition to the base salary and the other components of compensation listed with the compensation guidelines, in 2017–18 the president will receive above base compensation the amount of \$41,742, which reflects a .75% increase from 2016–17. In 2018–19, this component of the president's compensation will be increased by .75% to \$42,055.

The proposed budget for the next biennium includes funding for the first and second vice presidents' congregations in the amount of \$20,000 and \$10,000, respectively. The congregations of the vice presidents are free to request and utilize these funds as they see fit to cover expenses and lost ministry time as a result of the synodical duties of their pastors.

Note: Salary matrices and a web-based compensation calculator tool are available at wels.net/cwcompcalc.

Synod Schedule

0.75% Inflation Rate Adjustment

WELS COMPENSATION GUIDELINES*

Salary Matrix

2017-18

Range Spread	14,536	15,263	15,990	16,717	17,443	18,170	18,897	19,624
Service Incr.	485	509	534	558	583	608	633	657
Ranges	A	B	C	D	E	F	G	H
<i>Experience</i>								
0	29,072	30,526	31,980	33,433	34,887	36,341	37,794	39,248
1	29,557	31,035	32,514	33,992	35,470	36,948	38,427	39,905
2	30,042	31,544	33,048	34,550	36,054	37,556	39,060	40,562
3	30,526	32,052	33,582	35,108	36,637	38,164	39,693	41,219
4	31,011	32,561	34,116	35,666	37,221	38,771	40,326	41,876
5	31,495	33,070	34,650	36,224	37,804	39,379	40,959	42,533
6	31,980	33,579	35,184	36,783	38,388	39,987	41,592	43,191
7	32,464	34,087	35,718	37,341	38,971	40,594	42,225	43,848
8	32,949	34,596	36,252	37,899	39,555	41,202	42,857	44,505
9	33,433	35,105	36,786	38,457	40,138	41,810	43,490	45,162
10	33,918	35,614	37,320	39,016	40,721	42,417	44,123	45,819
11	34,402	36,123	37,854	39,574	41,305	43,025	44,756	46,476
12	34,887	36,631	38,388	40,132	41,888	43,633	45,389	47,133
13	35,371	37,140	38,922	40,690	42,472	44,240	46,022	47,791
14	35,856	37,649	39,456	41,248	43,055	44,848	46,655	48,448
15	36,341	38,158	39,990	41,807	43,639	45,456	47,288	49,105
16	36,825	38,666	40,524	42,365	44,222	46,063	47,921	49,762
17	37,310	39,175	41,058	42,923	44,806	46,671	48,554	50,419
18	37,794	39,684	41,592	43,481	45,389	47,279	49,186	51,076
19	38,279	40,193	42,126	44,040	45,972	47,886	49,819	51,733
20	38,763	40,701	42,660	44,598	46,556	48,494	50,452	52,390
21	39,248	41,210	43,194	45,156	47,139	49,102	51,085	53,048
22	39,732	41,719	43,728	45,714	47,723	49,709	51,718	53,705
23	40,217	42,228	44,262	46,272	48,306	50,317	52,351	54,362
24	40,701	42,737	44,796	46,831	48,890	50,925	52,984	55,019
25	41,186	43,245	45,330	47,389	49,473	51,532	53,617	55,676
26	41,671	43,754	45,864	47,947	50,057	52,140	54,250	56,333
27	42,155	44,263	46,398	48,505	50,640	52,748	54,883	56,990
28	42,640	44,772	46,932	49,064	51,224	53,356	55,515	57,647
29	43,124	45,280	47,466	49,622	51,807	53,963	56,148	58,305
30	43,609	45,789	48,000	50,180	52,390	54,571	56,781	58,962
31	44,093	46,298	48,534	50,738	52,974	55,179	57,414	59,619
32	44,578	46,807	49,068	51,296	53,557	55,786	58,047	60,276

* Subject to change per Compensation Review Committee proposal detailed on pp. 100-122.

See p. 143 for current synodical salary range assignments and above base compensation for called workers.

Synod Schedule

0.75% Inflation Rate Adjustment

WELS COMPENSATION GUIDELINES***Salary Matrix****2018–19**

Range Spread	14,646	15,378	16,110	16,843	17,575	18,307	19,039	19,772
<i>Service Incr.</i>	488	513	537	561	586	610	635	659
Ranges	A	B	C	D	E	F	G	H
<i>Experience</i>								
0	29,291	30,756	32,220	33,685	35,149	36,614	38,078	39,543
1	29,779	31,269	32,757	34,246	35,735	37,224	38,713	40,202
2	30,267	31,781	33,294	34,808	36,321	37,834	39,347	40,861
3	30,756	32,294	33,831	35,369	36,906	38,445	39,982	41,520
4	31,244	32,806	34,368	35,931	37,492	39,055	40,617	42,179
5	31,732	33,319	34,905	36,492	38,078	39,665	41,251	42,838
6	32,220	33,832	35,442	37,054	38,664	40,275	41,886	43,497
7	32,708	34,344	35,979	37,615	39,250	40,886	42,520	44,156
8	33,196	34,857	36,516	38,176	39,836	41,496	43,155	44,815
9	33,685	35,369	37,053	38,738	40,421	42,106	43,790	45,474
10	34,173	35,882	37,590	39,299	41,007	42,716	44,424	46,134
11	34,661	36,395	38,127	39,861	41,593	43,327	45,059	46,793
12	35,149	36,907	38,664	40,422	42,179	43,937	45,694	47,452
13	35,637	37,420	39,201	40,983	42,765	44,547	46,328	48,111
14	36,126	37,932	39,738	41,545	43,350	45,157	46,963	48,770
15	36,614	38,445	40,275	42,106	43,936	45,767	47,598	49,429
16	37,102	38,958	40,812	42,668	44,522	46,378	48,232	50,088
17	37,590	39,470	41,349	43,229	45,108	46,988	48,867	50,747
18	38,078	39,983	41,886	43,791	45,694	47,598	49,501	51,406
19	38,566	40,495	42,423	44,352	46,280	48,208	50,136	52,065
20	39,055	41,008	42,960	44,913	46,865	48,819	50,771	52,724
21	39,543	41,521	43,497	45,475	47,451	49,429	51,405	53,383
22	40,031	42,033	44,034	46,036	48,037	50,039	52,040	54,042
23	40,519	42,546	44,571	46,598	48,623	50,649	52,675	54,701
24	41,007	43,058	45,108	47,159	49,209	51,260	53,309	55,360
25	41,496	43,571	45,645	47,720	49,794	51,870	53,944	56,019
26	41,984	44,084	46,182	48,282	50,380	52,480	54,578	56,678
27	42,472	44,596	46,719	48,843	50,966	53,090	55,213	57,337
28	42,960	45,109	47,256	49,405	51,552	53,701	55,848	57,996
29	43,448	45,621	47,793	49,966	52,138	54,311	56,482	58,655
30	43,937	46,134	48,330	50,527	52,724	54,921	57,117	59,315
31	44,425	46,647	48,867	51,089	53,309	55,531	57,752	59,974
32	44,913	47,159	49,404	51,650	53,895	56,141	58,386	60,633

*** Subject to change per Compensation Review Committee proposal detailed on pp. 100-122.**

See p. 143 for current synodical salary range assignments and above base compensation for called workers.

Missions

Board for Home Missions Floor Committee #9

Our calling

Stick to the knitting” is a phrase that encourages one to focus on what one does best or on what one is supposed to be doing. A car company that “sticks to the knitting” makes cars and doesn’t branch off and also produce furniture. An ice-cream parlor “sticks to the knitting” when it offers all sorts of ice cream flavors but doesn’t also offer champagne and caviar.

In Scripture the apostle Paul writes to the Christians in Corinth, “For I resolved to know nothing while I was with you except Christ Jesus and him crucified” (1 Corinthians 2:2). His single focus priority was to share the wonders and works of the God-man, Jesus Christ. He didn’t set up a side business to peddle his personal books on life’s philosophies. He preached, taught, and directed people to the Savior of the world, Jesus Christ. Paul “stuck to the knitting.”

In Home Missions we “stick to the knitting” as we work with many WELS partners to start mission congregations. We look to start more missions because our church body believes this is one of the best ways to consistently reach more lost souls with the gospel of Jesus Christ. As new missions are authorized through the action of the Board for Home Missions, more locations are being established where mission pastors and mission members actively look to tell the next souls about Jesus Christ. While we certainly give thanks for the many churches in WELS that reach out to lost souls with God’s Word, from their inception, mission churches intentionally plan and strategize to be gospel proclaimers and resolve as the apostle Paul did to tell people about Christ-crucified.

We thank our church body for giving us this directive. We ask your prayers for the ministry of Home Missions and the missions under Home Missions. We ask your prayers that we “stick to the knitting” so many more will have the opportunity to hear the only message that saves. We pray, too, that as the message is proclaimed, many more will be rescued from the everlasting punishment in hell to life everlasting in heaven through faith in the Savior, Jesus Christ.

Our current situation

In recent years, at the spring Board for Home Missions (BHM) meeting, new missions are authorized through the BHM Executive Committee. At the March 30 and 31, 2017, meeting, four new mission starts were authorized to receive funding starting July 1, 2017. The new mission locations are Westminster, Colo.; Chattanooga, Tenn.; Hendersonville, N.C.; and Huntersville, N.C.

In addition, the Executive Committee of the BHM approved three enhancements. Enhancements are typically two- to four-year subsidy agreements to assist a congregation that is expanding ministry or to assist a ministry with cross-cultural ministry. These three ministries are Mt. Lebanon, Milwaukee, Wis.; Immanuel, Waukegan, Ill.; and King of Kings, Little Rock, Ark.

Overall, in spring 2017 the Board for Home Missions received 16 requests to start new missions or new ministry. The total funding for the 7 requests that received authorization is \$554,000. In being able to take the above steps, Home Missions says “thank you” to our church body for its mission offerings and to synod members for the many individual gifts that make it possible to authorize more than \$500,000 for gospel ministry. Included in our thanks is a special thank you to the Church Extension Fund Board of Directors, who established an endowment for Home Missions from CEF’s permanently restricted funds. From that endowment, around \$800,000 will be available for Home Missions to use for new missions and new ministry every August.

At this time (March 2017) Home Missions supports 116 subsidized and unsubsidized missions. There are 32 unsubsidized missions and 84 subsidized missions. In the listing of 84 subsidized missions there are:

- 21 cross-cultural missions supported through the budget/divisional gifts,
- 49 missions supported through the budget/divisional gifts,
- 2 missions supported through Joint Mission Council funds (these are also cross-cultural),
- 2 missions supported by the special Church Extension Fund grants of 2015 and 2016,
- 1 mission supported by special project funds (this is a cross-cultural mission), and
- 9 missions subsidized for enhancements (current ministry is being enhanced by some Home Missions financial support).

Home Missions has noted that around 30 percent of its budget is used to support cross-cultural ministries. Currently Home Missions supports Hispanic, Hmong, Lao, Sudanese, Korean, Japanese, Chinese, Navajo, and Vietnamese ministries to varying degrees. In a number of the mission congregations there are multiple cultures represented in their membership. Our Hispanic outreach is the largest of the cross-cultural ministries. Seventeen locations worship in Spanish with more than 1,500 coming to worship Jesus in that language each week.

Certainly, we give thanks to the Lord for blessing our church body to continue to reach out with the gospel through Home Missions. It is his power that enables this, and it is to his glory that we so work.

Starting Home Missions would not be possible without the direct work of district mission boards and mission counselors. Home Missions has 14 mission districts and three mission counselors—Pastors Mark Birkholz, Peter Kruschel, and Edward Schuppe—as well as a Hispanic outreach consultant, Pastor Tim Flunker. The mission boards, mission counselors, and Hispanic outreach consultant are on the front lines working with various churches or partners to consider where WELS might start the next mission.

Due to term limitations, a number of men on the BHM completed their service June 30, 2016. Those men are Pastor Nathan Strutz, Dr. Keith Eldred, Mr. John Beeskow, Pastor Stephen Helwig, and Mr. Steven Kalscheuer. In addition, Pastor Wayne Uhlhorn accepted a call in spring 2016 and after the April BHM meeting completed his service. Also, in June 2016 Pastor Jeremy Glowicki indicated he was stepping down from the Minnesota District Mission Board, which also meant he was off the BHM, where he too served for many years. Home Missions is thankful to these men who served faithfully for many years.

Because there is a fair amount of change of district mission board members, since the winter of 2011, the 14 mission boards gather annually for 8 hours of training and information sharing. Usually the training takes place at 4 or 5 sites, and usually at least 2 mission boards join at a meeting site. It has been a pro-active way to equip the district mission board members in their volunteer role to carry out their important tasks as mission board members.

Home Missions saw another change in personnel, which started July 1, 2016. The BHM chairman, Pastor Charles Westra, who had served in that role since being elected at the 2007 synod convention, was no longer able to serve. since he was elected in June 2016 as district president for the South Atlantic District. Home Missions wants to extend a special thanks for his leadership over the past nine years. He was an active chairman and a strong advocate for the cause of Home Missions.

President Schroeder appointed Pastor Wayne Uhlhorn to serve as BHM chairman up to the 2017 synod convention. Uhlhorn is one of the men on the ballot for consideration to be elected as BHM chairman. BHM chairmen are elected for a four-year term and can be re-elected to two more four-year terms.

Home and World Missions has an active staff of six supporting the work WELS does in mission fields and through mission boards. Coordinating this ministry is Mr. Sean Young, director of mission operations. Young helps to oversee the ministry operations of both Home and World Missions.

In addition to all the Home Missions “people support,” there is wonderful financial support. In addition to the foundational support of Congregation Mission Offerings and special gifts that come to Home Missions, there are other financial means of support.

- 1) The Lutheran Women’s Mission Society (LWMS) has spring and fall rallies. At those rallies, collections are taken, and special project funds in Home and World Missions receive gifts. From these special project funds, missions have opportunities to enhance their ministries. In addition to the rally gifts, each year LWMS has an international convention. At that convention, two special projects in Home Missions and two in World Missions are blessed with

gifts anywhere from \$25,000 to \$45,000 per project. Again, those gifts truly bless the missions that are recipients of portions of those gifts.

- 2) WELS Church Extension Fund (CEF), Inc., is a lending institution. Its primary purpose is to assist missions with loans and grants. At a Feb. 14, 2017, CEF Board of Directors meeting, the board decided to turn its \$25,000,000 of permanently restricted net assets into an endowment for Home Missions. Based on the WELS guidelines of endowment payouts, on an annual basis in August, around \$1,000,000 should be paid out. The board also indicated 80 percent of the payout should go directly to Home Missions and 20 percent should go to the CEF grant program for Home Missions. Home Missions certainly gives thanks to the Lord for this special endowment. (In 1993, CEF started a grant program. Since its inception, close to \$36 million in grants have been offered to missions for land or building grants or to Home Missions to assist missions with land and building or to start new missions).
- 3) “Every neighbor, every nation—WELS Missions and you” is the title of a campaign that Home and World Missions have undertaken in 2016–17 in partnership with the Ministry of Christian Giving. Since late summer in 2016, mission representatives have accompanied Christian giving counselors on visits to share the “story” of WELS missions. Assisting to tell the story, Northwestern Publishing House and WELS Communication Services produced a “bonus” *Forward in Christ* edition that focused on Missions (contact NPH for your complimentary copy). As gifts come in, Home and World Missions will determine how these “new mission initiative” gifts can best be used. At the time of this writing around \$515,000 in gifts had been offered.

The Joint Mission Council (JMC) helps to oversee and work with missions in North America that may be reaching the same people groups in other parts of North America or may be reaching back to their country of origin. One committee that is assisting the JMC in these efforts is the Global Hmong Committee. Started in July 2015, this committee of two Hmong pastors and two Anglo pastors is working to oversee all Hmong ministry under WELS. Thus, the Global Hmong Committee is working with six Hmong missions in the United States as well as Hmong ministry in China, Laos, Thailand, and Vietnam. The Global Hmong Committee has been tasked to consider how best to use the resources designated for Hmong ministry globally speaking. The Global Hmong Committee is serving as this special committee through June 30, 2019. At that time, the Boards for Home and World Missions will evaluate what the next step for the Global Hmong Committee will be.

In order to encourage the Hmong pastors and members as well as develop spiritual growth, various conferences are held. In July 2016, Immanuel Hmong in St. Paul, Minn., hosted a U.S. Hmong Conference. Close to 200 Hmong joined together at this conference. The first part of October, the annual Asian Conference takes place at Wisconsin Lutheran Seminary. Various Asian cultures were represented in 2016. While we work at having our Hmong WELS pastors along with other Asian WELS pastors/spiritual leaders integrate into the circuit meetings and conference per their respective districts, we also recognize the importance of these cultures periodically gathering in their people groups for conferences particular to their culture and their ministry opportunities.

Campus Ministry is under the Home Missions budget. The Campus Ministry Committee (CMC), chaired by Pastor Charlie Vannievenhueven, ably serves the campuses that offer campus ministry. The primary purpose of campus ministry is to be a student’s “church home” while away at college. In addition to supporting our WELS members attending college, many of the campus ministries strive to take the gospel to non-WELS students.

The WELS National Campus Ministry Staff Conference will take place May 15 and 16, 2017, in Pewaukee, Wis. The conference is designed to help campus pastors and laypeople in their training of students for ministry by studying God’s Word and sharing ideas for campus work—whether a big, small, or new campus ministry. The Campus Ministry Committee contact person is Pastor Jonathan Klein, pastorklein@lightofthevalley-wels.org. This conference is held every two years around the same time of the year.

In late summer 2016, the Campus Ministry Committee initiated a pilot program. The pilot program is intended to connect more WELS college students with a university and its campus ministry. Every year, the CMC sends letters to every WELS congregation asking for contact information for their high school seniors. Once this information is gathered and entered into our database it is used in two ways. First, the CMC sends out letters to every student. This letter encourages students to be involved in campus ministry and gives them the contact information for the local congregation or campus ministry where they are attending school. The CMC then sends the students’ contact information to the local contact or campus pastors so they can make contact with these students while at school. This has been an effective way over the years to connect students to local ministries.

But we can't connect students to these local ministries if we don't know who they are. One of the challenges the Campus Ministry Committee has faced is the low participation of congregations in this contact information gathering effort. Historically, only about 400 of our 1,270 WELS congregations have participated. In summer 2016, the Campus Ministry Committee engaged the help of Senior Vicar Phil Janisch from the Point of Grace Campus Ministry in Milwaukee to call congregations and ask for contact information for all their high school seniors. Janisch spends his time calling every WELS congregation who hasn't responded to the CMC mailings to encourage WELS congregations to provide that information. Sometimes it is secretaries who gather this information. Sometimes it is the pastor. Sometimes it is an interested parent or member who does the work. To date we have been able to gather information from an additional 400 congregations. The more students the CMC has in its database, the more students who can be connected to local campus ministries and the more students we can help stay connected to God's Word.

We also want to say "thanks" to Pastor Tom Trapp, long-time campus ministry pastor at the University of Wisconsin-Madison. After 42 years in the ministry, 41 of those serving in campus ministry and 38 years serving in campus ministry at the Chapel in Madison, at the end of FY17, Trapp is retiring. He and his wife, Carol, have had the blessing of touching the lives of many WELS members, not only sharing God's Word with them while students at UW-Madison, but also helping to equip those students to be active in ministry participation when they graduate and relocate and join a WELS congregation. A special service of thanks will take place at the Chapel on Sunday, June 25, 2017.

The Missions staff does an excellent job communicating what is happening in WELS Missions. Go to wels.net/missions to find out more about both Home and World Missions. One of the more recent forms of communications is a video series titled "Moments with Missionaries." These videos are five to six minutes. Their style and content is similar to a *WELS Connection*. These videos give additional insight into mission ministries and are on the Missions website, can be used at LWMS rallies and conventions, and can be used in other ways as well. Another way to "keep up on missions" is by reading the Missions blog. To sign up to receive these blog posts via e-mail, visit wels.net/subscribe. In addition to mission resources, you will have the opportunity to sign up for a number of WELS communications.

A look ahead

As new missions start, the goal is the same—to reach more souls with the gospel of Jesus Christ. How Home Missions starts these new missions changes from time to time, though. At this time one of the ways in which some of the next missions are being started is through multi-site ministry. An established congregation looks to start worship at another site where gospel ministry takes place. The "second" site is still a part of the established congregation's ministry, but the intent is to reach into the "next area" with the gospel. On Nov. 14–16, 2016, Grace, Tucson, Ariz., hosted a multi-site conference. Around 140 WELS members attended. More ministries and district mission boards are considering the multi-site strategy when looking to start the next mission.

Another ministry that is just getting off the ground is supported by Kingdom Workers through its Builders for Christ division. At some point, most mission churches look to buy land and then to build a worship facility, working with their district mission board. Often, these missions don't have a lot of members who have had experience in these endeavors. Builders for Christ has designed a program where three men are going to serve as advisors to assist congregations through the process. These three men have years of experience. Their expertise will be invaluable. While this program is being started primarily to serve mission congregations, all WELS congregations may consider using this program.

Earlier there was some information about the WELS Church Extension Fund (CEF). This wholly-owned subsidiary of WELS has opportunities to expand its ministry by making more loans—not only to missions but also to mission-minded self-supporting churches. In order to meet these opportunities, more investments are desired so there is more capital to lend. If you would be interested in helping support missions through CEF investments, go to wels.net/cef to learn how you might be able to participate. See p. 200 to learn more about WELS CEF.

Thank you for your time in reading how the Lord is working through WELS Home Missions. Scripture is very clear that it is only the work of the Triune God that saves people lost in their sins. We give thanks that the Lord uses Home Missions to be a part of the rescue mission team. We ask the Lord to bless Home Missions to "stick to doing" this life-saving ministry.

Rev. Keith Free, reporter

Rev. Wayne Uhlhorn, chairman

Rev. Timothy Bode, Minnesota Mission District

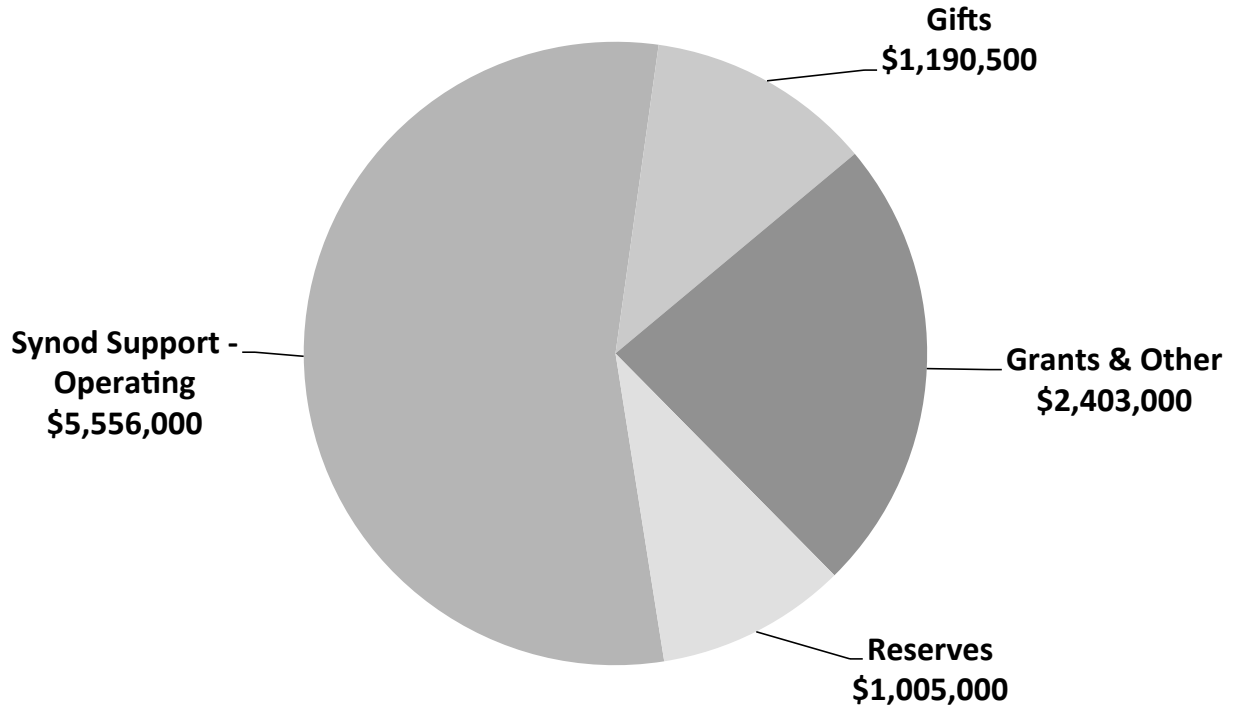
Mr. Bruce Burger, Nebraska Mission District

Mr. Ronald Demulling, Western Wisconsin Mission District
Rev. John Dorn, Northern Wisconsin Mission District
Mr. Dwayne Coryell, North Atlantic Mission District
Mr. John Deschane, Northern Wisconsin Mission District
Mr. Matthew Dettmann, Colorado Mission District
Rev. Matthew Frey, Colorado Mission District
Rev. Mark Gabb, South Atlantic Mission District
Dr. August Gabert, Pacific Northwest Mission District
Rev. Harland Goetzinger, WELS–Canada Mission District
Mr. Mark Greiner, Michigan Mission District
Mr. Thomas Hansen, Dakota-Montana Mission District
Mr. Mark Hartman, South Central Mission District
Rev. Robert Krueger, Michigan Mission District
Mr. Paul Kuske, WELS–Canada Mission District
Mr. Noel Ledermann, Arizona-California Mission District
Rev. Jeffrey Mahnke, Western Wisconsin Mission District
Mr. Jude Peck, South Atlantic Mission District
Mr. David Sauer, Minnesota Mission District
Rev. Caleb Schoeneck, South Central Mission District
Rev. John Stelter, Nebraska Mission District
Rev. Matthew Vogt, Arizona-California Mission District
Rev. Mark Wagner, Southeastern Wisconsin Mission District
Rev. Craig Wasser, Pacific Northwest Mission District
Rev. Kevin Wattles, North Atlantic Mission District
Rev. Jonathan Werre, Dakota-Montana Mission District
Mr. Steven Wolf, Southeastern Wisconsin Mission District

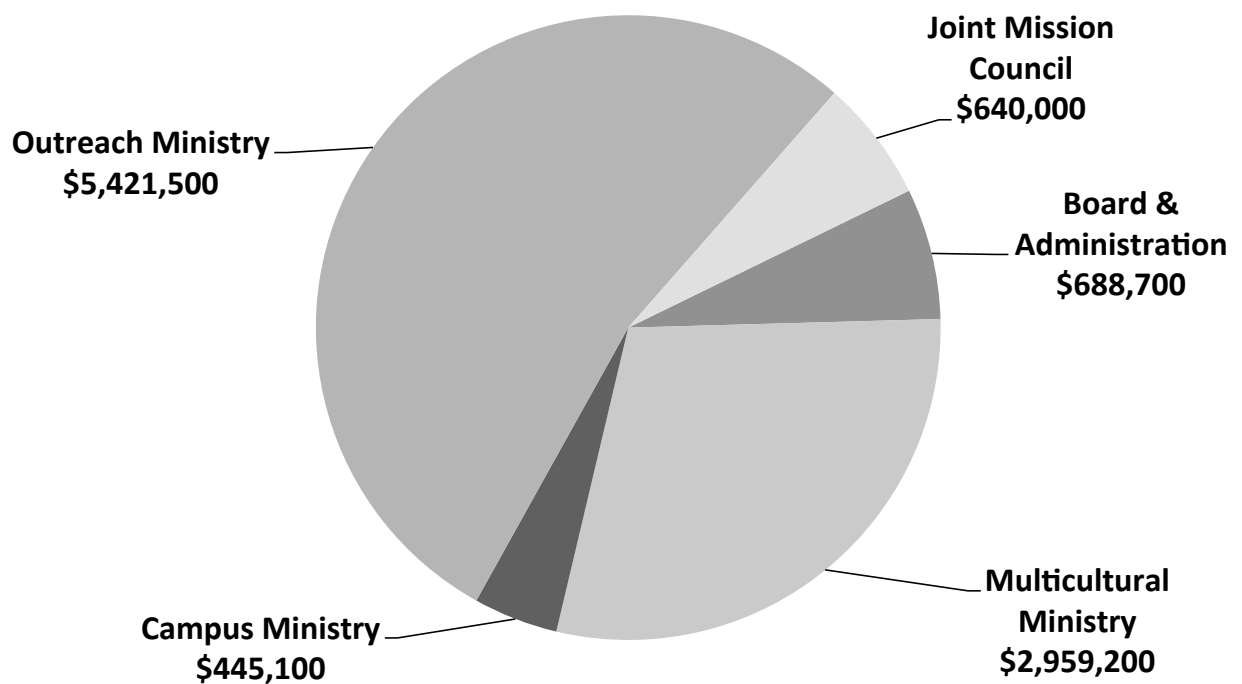
Advisory:

Rev. Keith Free, administrator of WELS Board for Home Missions
Rev. Mark Schroeder, WELS president
Mr. Sean Young, director of WELS Missions Operations

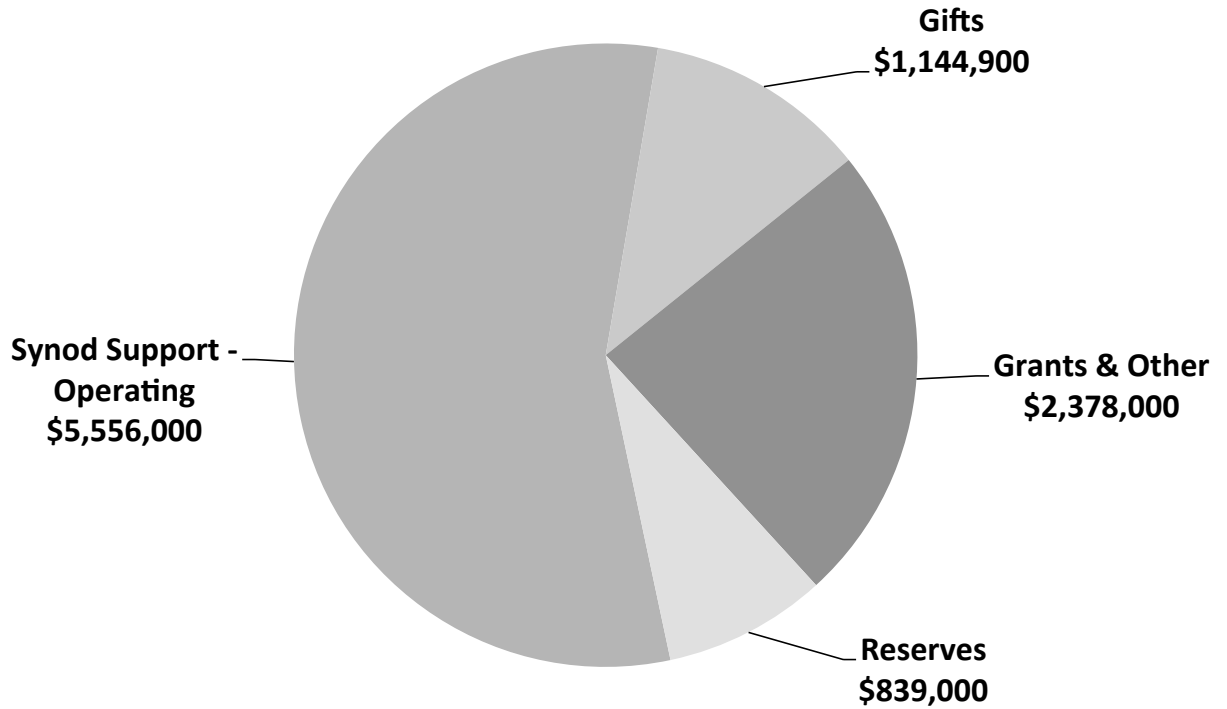
**FY 2017-18 Support
Home Missions
\$10,154,500**



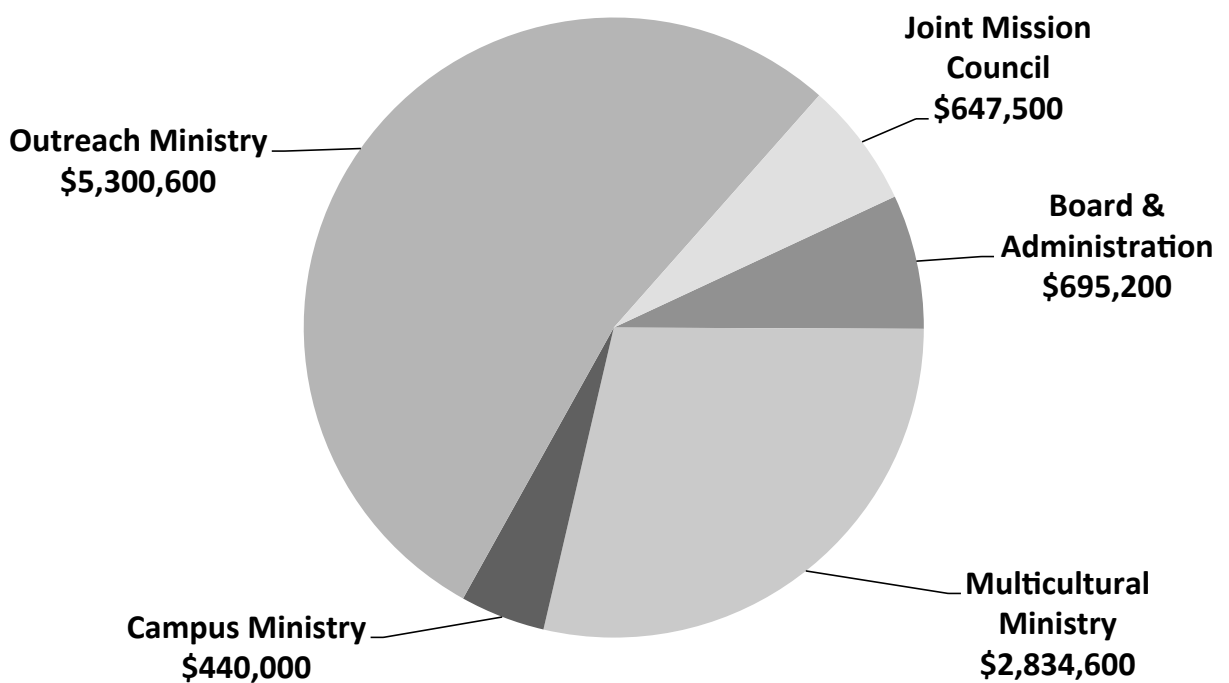
**FY 2017-18 Expenses
Home Missions
\$10,154,500**



FY 2018-19 Support Home Missions \$9,917,900



FY 2018-19 Expenses Home Missions \$9,917,900



Board for World Missions

Floor Committee #10

Our calling

Christ's love has done what no human being could ever imagine. He came to this world and gave himself to guarantee our eternity at his side. This love fills our hearts and by God's powerful Spirit overflows to touch the lives of those around us. Christ has called us to keep reaching even further with his love. Our calling includes being witnesses to the multitudes on this planet who still do not know what our loving Savior has done. In response to our calling, the Board for World Missions is directed to carry out "... the responsibility of sharing the gospel of Jesus Christ for the discipling of all people living outside the United States of America and Canada and those people who, because of cultural barriers, have not been made the responsibility of other agencies of WELS" (WELS Bylaws, Sec. 6.1). Into a world that desperately needs it, our missionaries and national church partners bring the light of God's Word. With this powerful tool deployed and in the hands of the Lord of the Church, our work is bearing much fruit.

Our current situation

World Missions is helping serve 80,000 people in the 23 fields where WELS is training and partnering to do mission work. World Missions serves 60,000 more people who are enrolled in correspondence and online courses in Africa, Asia, Latin America, and the Middle East but who have not been fully organized into congregations or national churches. We have been amazed to see that more than one million people are currently being reached with World Missions' Internet outreach efforts.

Worldwide the national churches have called 400 national workers who serve the spiritual needs in more than 700 places where people gather to hear God's Word. One hundred sixty more national leaders are in pastoral training through World Missions' training programs. The expatriate missionary force numbers 38 full-time missionaries and 9 teachers. More than 60 lay workers from the United States of America are also presently serving in various fields.

The Board for World Missions has appointed seven administrative committees to facilitate this work around the globe. They are the

- Africa Administrative Committee, working with Cameroon, Malawi, Nigeria, and Zambia;
- Asia-Pacific Rim Committee, working with Indonesia, Japan, and Thailand;
- East Asia Administrative Committee, working among Chinese-speaking peoples;
- Europe Administrative Committee, working with Albania, Bulgaria, Russia, and Ukraine;
- Latin America Administrative Committee, working with Bolivia, Brazil, Colombia, Cuba, Dominican Republic, Haiti, and Mexico;
- Native American Administrative Committee, working with the White Mountain and San Carlos Reservations in Arizona; and
- South Asia Administrative Committee, working with India, Nepal, and Pakistan.

Information concerning independent sister churches who receive specialized help from WELS can be found in the report of the Commission on Inter-Church Relations (p. 25).

The synod in convention elects the five-man Board for World Missions. It consists of two pastors, one teacher, and two laymen. The Board for World Missions calls a pastor to serve as an administrator who serves full time out of the WELS Center for Mission and Ministry. The Board for World Missions partners with the Board for Home Missions to hire a director of missions operations and administrative staff who work at the WELS Center for Mission and Ministry. The administrative committees consist of pastors, teachers, and laymen who volunteer to facilitate the work of the world fields assigned to them. The administrative committee members are appointed by the Board for World Missions and work on behalf of the board to administer the activities in their respective fields. Of course, the heart of this work is carried out by our missionaries and the national leaders who are hard at work as Christ's ambassadors in many lands.

Every aspect of the work our mission teams carry out in so many ways and so many places is worthy of note. Summaries of this work can be found at wels.net/missions. What follows are some highlights to give an example of what the Lord is using us to do on your behalf.

Five Apache men are now serving the churches and various ministries in **Apacheland** as pastors and evangelists. A long-range plan for Native American ministry is being discussed by the leaders of the ministries with the goal to continue to preach the gospel, serve the people, and grow the ministries on the Apache reservations. Blessings are abundant at both Peridot and East Fork schools as enrollments are on the rise.

In **Albania**, the national pastors continue to reach out with the gospel to give hope to needy souls in this poor Eastern European country. The mission field celebrated its 20th anniversary in 2016. The new seminary student (the son of a national pastor) has completed the first level of studies and has begun the second. The Durres congregation has maxed out their storefront space with 80-90 in worship on a weekend.

The seminary in **India** continues to train 42 men for the public ministry and to offer continuing education to our 45 graduates on a regular basis. The field has an active translation and publications program in addition to building one to two new chapels every year on a self-help basis. WELS Christian Aid and Relief annually funds humanitarian aid (well digging and medical supplies) to show Christian love. Seven children's homes care for the physical and spiritual needs of 205 children, and one elementary school offers instruction in God's Word to 220 children.

In **East Asia**, five missionaries are training new believers and support 52 lay missionaries whose 300-plus students meet weekly around God's Word in Bible classes. More than 50 students receive training through Christian Studies Institute classes, and more than 150 students study online weekly with a WELS Chinese pastor based in the United States. Six churches have been started by local leaders, and five other groups are organizing into churches. In Hong Kong, new believers are being trained to serve in churches throughout East Asia. Asia Lutheran Seminary professors serve more than 80 students, 16 of whom study full time at the Asia Lutheran satellite seminary. Several leaders recently graduated from Asia Lutheran Satellite Seminary, a first for this program. Missionaries have helped strengthen fellowship ties with the Hong Kong-based church, SALEM, and the church in Taiwan. WELS Multi-Language Publications provides Chinese Lutheran materials, which are being distributed through bookstores, e-book platforms, and online social networks.

In **Nigeria**, All Saints Lutheran Church and Christ the King Lutheran Church synods continue their faithful work and their fruitful fellowship with one another, with WELS, and with the Confessional Evangelical Lutheran Conference. Forty men have studied to qualify for pre-seminary enrollment.

The **Cameroon** mission field is working to develop financial programs to encourage independence for the Lutheran Church of Cameroon (LCC) as well as putting considerable effort towards the development of a sustainable worker training program, with hopes that the LCC will be able to continue the work with less support. A major piece of that puzzle is the acceptance of national pastor Israel of a call to teach at our worker training program. A second WELS missionary is being called to locate in Cameroon and serve the Nigeria field.

The **Malawi** field has been focusing on strategic planning, working with the Lutheran Church of Central Africa (LCCA) to form a clearly defined program for LCCA ministry. In May, the Malawi mission team joined with other African fields to meet with representatives from the WELS Board for World Missions, the Africa Administrative Committee, to continue a comprehensive evaluation of ministries and to plan future work.

Christ-centered resources from *Academia Cristo* (Christ Academy) are reaching Spanish speakers around the world. *Academiacristo.com* offers free Spanish video and audio resources. Visitors can ask questions and chat online with national pastors and missionaries. Interested visitors are lined up with online teachers to deepen their understanding of the Bible and encourage them to plant churches. In 2016, *Academia Cristo* Facebook videos were viewed 8.6 million times. Our **Latin American** missionaries are very busy partnering with current fields and following up on leads in several new countries.

The work of **Multi-Language Publications** explores the possibilities to reach millions more. Work that still includes the production of books has progressed to embrace the digital age. The use of tablets and cell phones is growing by leaps and bounds in even some of the poorest countries of the world. Digital media that catches the eye and works well on mobile devices, while still providing ways to connect to more in-depth teaching, are being produced. Full-time coordinators to produce materials in Latin America and in Asia are in place. The success and reach of Spanish online content is being modeled in English to assist in reaching more than one billion people on this globe who speak English but do not live in North America.

The Board for World Missions will continue to enhance its efforts to tell the story of our mission work together to the members of WELS. Stories shared via wels.net/missions, *Forward in Christ* magazine, *WELS Connection*, printed handouts, and other means will be produced.

A look ahead

The number of people on this planet who need to hear about the love of the Savior God who came into this world to save them is growing. More than six billion people need what we already have. Without the gospel message, they will be lost for eternity.

Over this last year the number of fields being explored for new mission work is a highlight. Immigrants to the United States who have become members of WELS churches often have a burning desire to share the good news they now treasure with their family back home. Online contacts are booming, and we are working diligently to back that up with programs that allow a more complete understanding of the Bible. Church bodies in the Confessional Evangelical Lutheran Conference provide additional contacts to explore. The Board for World missions also serves as the World Mission exploration arm of WELS. Partnering with the Joint Mission Council there is new outreach now in place in **Liberia, South Sudan, Ethiopia, Kenya, Vietnam, Philippines, Guatemala, and Venezuela**. More opportunities continue to be explored.

A steady goal of our mission work is to help our sister churches stand in partnership with WELS and grow out of the need for deep subsidy. The training of pastors and lay leaders will continue to be a priority of our work as such leaders will be needed for a young confessional Lutheran church to weather the storm that the devil will try to throw their way. The newly formed Pastoral Studies Institute Team has been a vital way to offer needed training to new leaders. See the Joint Mission Council report on p. 159 for more on this team.

We are excited to welcome sister synods from **East Asia, Hong Kong, and Ethiopia** as they are recognized as sister churches of WELS at this convention. We thank the many missionaries who worked for years to help make that happen.

Your World Missions team treasures the ongoing support of the members of WELS. Your prayers, attention, and gifts allow us to carry out the witnessing work the Lord has given to us all. May the Lord bless our work together as we hear his calling and take the treasure of Christ's love to share it with a world that will be lost without it.

Rev. Larry M. Schlomer, reporter

Rev. Howard Mohlke, chairman

Dr. Robert Anderson, secretary

Rev. Glen Hieb

Mr. Mark Schulz

Mr. Danny Wehmeyer

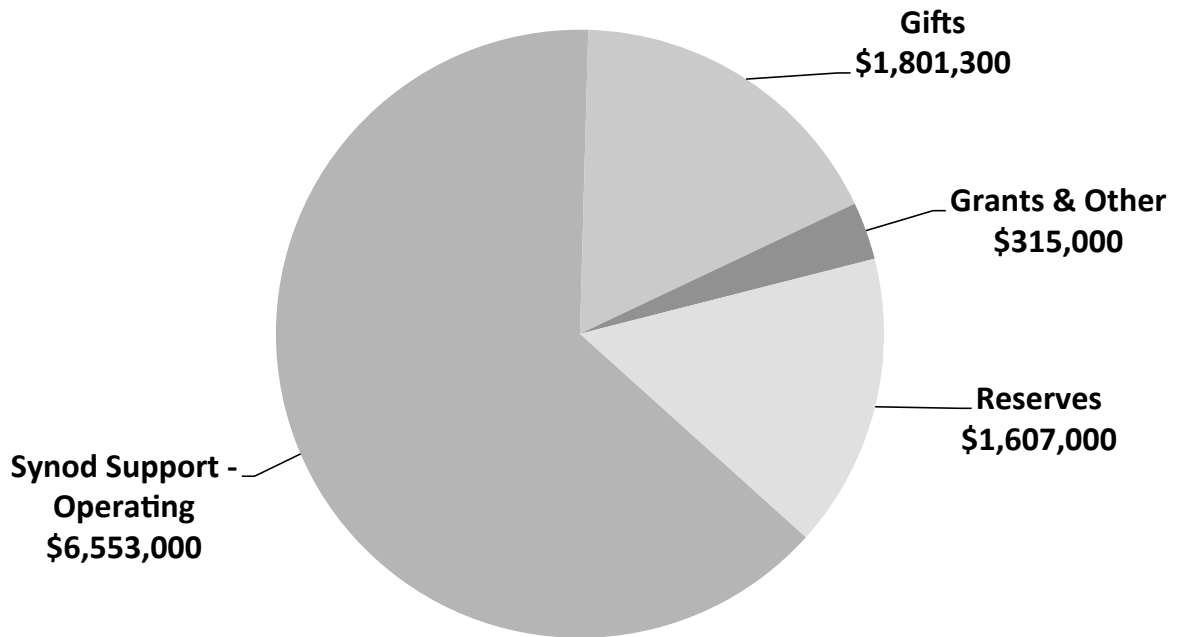
Advisory:

Rev. Larry M. Schlomer, administrator of WELS Board for World Missions

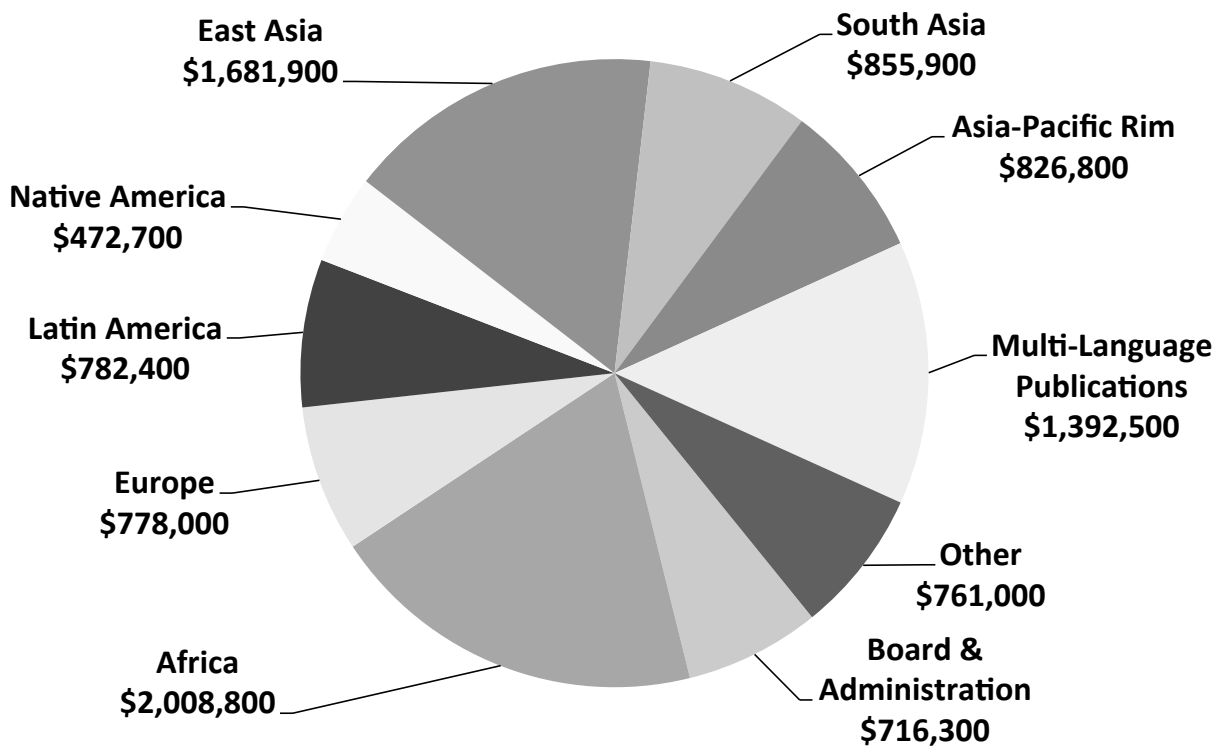
Rev. Mark Schroeder, WELS president

Mr. Sean Young, director of WELS Missions Operations

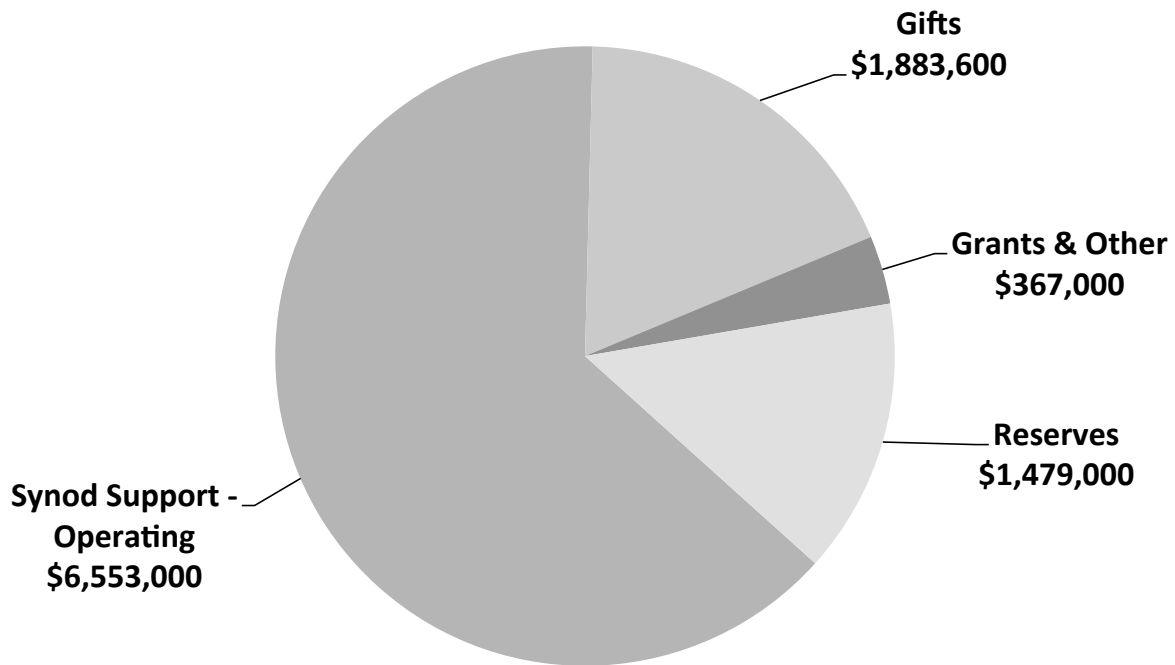
**FY 2017-18 Support
World Missions
\$10,276,300**



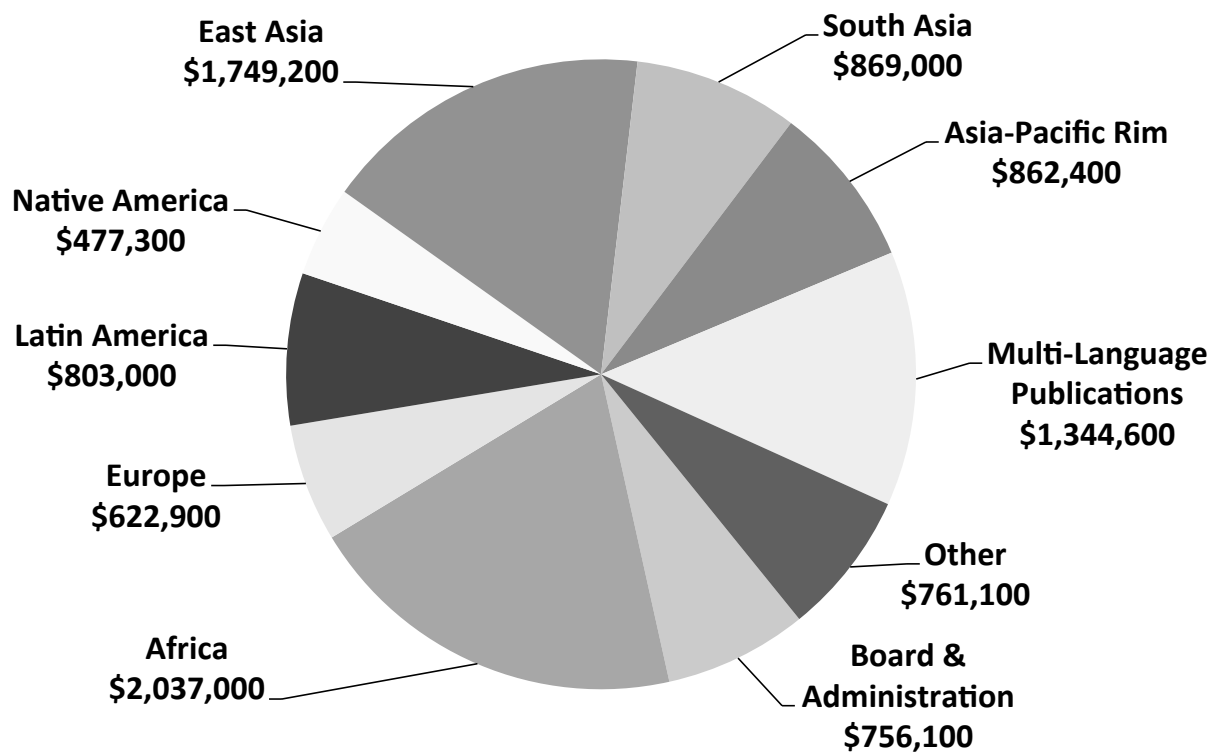
**FY 2017-18 Expenses
World Missions
\$10,276,300**



FY 2018-19 Support World Missions \$10,282,600



FY 2018-19 Expenses World Missions \$10,282,600



Joint Mission Council

Floor Committee #10

Our calling

The Joint Mission Council (JMC) oversees those mission opportunities that are the operational responsibility of both the Boards for World and Home Missions. The members of the council are the elected chairmen and administrators of both boards, the director of Missions Operations, and a representative designated by each board.

The present focus of the Joint Mission Council is to

- coordinate the future expansion of multi-cultural ministries to enhance reaching more lost souls both in North America and the homelands of those being served,
- continue to work on developing a structure that will best facilitate the mission outreach of these areas of ministry,
- coordinate the actions of World Missions and Home Missions in situations where normal ministry responsibilities of both boards overlap, and
- provide resolution of conflicts to opportunities between the two boards as a result of overlapping ministries.

Our current situation

With the ever-growing opportunities that are being presented to the synod right here in North America, the JMC has seen some spectacular blessings over these past 18-24 months. From South Sudanese ministry work being done in multiple cities across the United States such as Omaha, Neb., and Renton, Wash., to the growing ministry in reaching out to the Vietnamese in Boise, Idaho, we have an unprecedented list of opportunities before us. It's quickly become apparent that the JMC is the place for what we recognize as "people group" ministry. People groups are those who are connected by common language and culture yet are in multiple locations.

One of the top priorities of the JMC in addressing these opportunities was to partner with Wisconsin Lutheran Seminary (WLS) in the creation of the Pastoral Studies Institute (PSI) Team. The PSI Team is comprised of three pastors, two of whom are professors at WLS (Prof. E. Allen Sorum and Prof. Brad Wordell) and one (Pastor Jon Bare) who is the international recruitment director for the PSI Team. While the PSI program was established well before 2017, the real change came with the expansion from a one-man team to a three-man team. By expanding these efforts, we are better suited to work not only with training the leaders of the people groups talked about previously in this report but also work with the leaders in the country of origin from which these people come.

The PSI Team works with men from specific people groups who are already authentic confessional Lutherans and want to become pastors. It also works with men who are already pastors and want to become authentic confessional Lutherans.

The Joint Mission Council continues to focus on the various cross-cultural ministries it has traditionally supported.

Hmong ministries

As reported in the report of the Board for Home Missions (p. 147), the JMC helps to oversee and work with missions in North America that may be reaching the same people groups in other parts of North America or may be reaching back to their country of origin. One committee that was formed at the request of the JMC in support of these efforts is the Global Hmong Committee. Started in July 2015, this committee of two Hmong pastors and two Anglo pastors is working to oversee all WELS Hmong ministry. Thus the Global Hmong Committee is working with six Hmong missions in the U.S. as well as Hmong ministry in China, Laos, Thailand, and Vietnam. The Global Hmong Committee has been tasked to consider how best to use the resources designated for Hmong ministry globally speaking. The Global Hmong Committee is serving as this special committee through June 30, 2019. At that time, the Boards for Home and World Missions will evaluate what the next step for the Global Hmong Committee will be.

In order to encourage the Hmong pastors and members as well develop spiritual growth, various conferences have been and are continuing to be held. In July 2016, Immanuel Hmong in St. Paul, Minn., hosted a U.S. Hmong Conference, with almost 200 Hmong people attending. In the first part of every October, the annual Asian Conference takes place at WLS. Various Asian cultures are represented. While we work at having our Hmong WELS pastors along with other

Asian WELS pastors/spiritual leaders integrate into the circuit meetings and conferences of their respective districts, we also recognize the importance of these cultures periodically gathering in their people groups for conferences particular to their culture and their ministry opportunities.

Cristo Palabra de Vida

The Cristo Palabra de Vida National Council continues to help congregations plan, develop, and implement outreach plans to reach the Hispanic population in their immediate vicinity as well as work with the congregations already doing work among Hispanics. Cristo Palabra de Vida works with all the congregations in WELS. By the grace of God, 18 congregations hold worship services in Spanish while an additional 105 are working among Hispanics and welcoming them into their English services.

Cristo Palabra de Vida also continues to promote and direct lay leadership training. By developing a Bible Institute for Leadership Training, local pastors can teach a variety of materials that will lead members to assist their pastors in the areas of teachers, evangelists, and elders. Right now, Cristo Palabra de Vida is blessed to have more than 27 Hispanics who are participating at their local congregation in these Bible institute courses.

Another area of Cristo Palabra de Vida's work is to facilitate a biennial Hispanic Pastors Conference by searching for a location, securing a grant to help cover the costs, setting the agenda, directing the worship leaders, and leading the conference. Cristo Palabra de Vida is always looking at ways in which the work done north of the border with Mexico could better be coordinated with the work done south of the border with Mexico. The next biennial Hispanic Pastors Conference will be held on Jan. 8–11, 2018. More than 60 people will be invited.

Cristo Palabra de Vida has as another of its tasks the coordination of the instruction of men who move from the Bible institute program into the Pastoral Studies Institute Cristo Palabra de Vida, operated by Wisconsin Lutheran Seminary. For the 2017 Wisconsin Lutheran Seminary graduation, Mr. Nixon Vivar will be walking with the other graduates. Vivar will be working at Cristo Lutheran Church on the southside of Milwaukee alongside Pastor Chad Walta.

Cristo Palabra de Vida is also looking at new, innovative, and personal ways to mentor men currently involved with Hispanic outreach, especially those men who are working in areas that are far removed from other Hispanic work.

As the demographics show us, the Hispanic population in the United States continues to grow, and by the grace of God, is it growing around many of our established congregations. Cristo Palabra de Vida desires to help those established congregations reach out with the clear gospel. To this end, Cristo Palabra de Vida members attend at least three district conventions during the even years (2018, 2020, etc.).

Muslim outreach

The JMC is working with a Pakistani national here in the United States to focus our attention on Muslim outreach at the congregational level in areas with Muslim populations around them and to new congregations that may be started in the future in areas with high-density Muslim populations. In addition, funding will continue to be directed toward World Missions efforts in countries with Muslim populations such as Nepal and Pakistan.

Sudanese outreach

In February 2017, the South Sudanese leaders attended a three-day working conference in which they reviewed all of the various ministry being done to reach both the Sudanese refugees here in North America as well as in Ethiopia, Kenya, and Uganda. After those three days of planning, the newly formed Global Sudanese Committee (GSC) set before themselves an aggressive plan to achieve their collective goals for the next three years.

One of those major goals is to have three new Sudanese pastors trained and working in the field to share the gospel both in North America and the various African countries they've targeted. They already have the men identified and are working with the Pastoral Studies Institute Team in getting them through the first two years of the training needed to become pastors. The GSC is also looking to have 15 men in Africa complete the evangelist training and move them into the pastoral level classes.

The Lord continues to bless the outreach opportunities throughout the United States and Canada to reach more and more Sudanese refugees with the gospel.

With the lack of materials in the Nuer language, more outreach and training materials will be needed as well. The *Christian Worship* liturgy has been translated and will be reviewed for the Sudanese who attend regular services

at our congregations. “The Promise” booklet has been translated and has been published by Multi-Language Publications so that an easy tool is available to put in the hands of those who need to know the Savior. Multi-Language Publications stands ready to assist in translating additional materials as needed, especially materials that will facilitate ongoing teaching and sharing of the gospel within this tight-knit people group.

Although opportunities exist in the country of South Sudan, the ongoing fighting and brutality are still interfering with possible mission trips into this area.

A look ahead

With the ever-growing outreach efforts to reach the people groups within Vietnam (both Hmong and Vietnamese), the JMC is working closely with “Friends of Vietnam,” which is a ministry out of Peace in Jesus, Boise, Idaho. The ministry plan comes out of Peace in Jesus’ efforts to share the gospel with the Vietnamese in and around Boise with the goal of reaching back into Vietnam through those individuals and their families. With God’s blessings, these efforts will work to reach out through supplying English as a Foreign Language (EFL) teachers to universities in Vietnam and assisting students who desire to come to the United States to study at WELS schools. Through these two areas of outreach, new opportunities to share the gospel to the Vietnamese people are now available in Vietnam starting in both Hanoi and Ho Chi Minh City.

As we look further down the road, the PSI Team will be focusing on developing various training opportunities in Russia, Vietnam, and Liberia while supporting the ongoing training efforts in East Asia, Nepal, Cameroon, and Nigeria.

The Joint Mission Council works with WELS Communication Services to continue sharing all the exciting things that the Lord has allowed us to work on. Check out wels.net/missions or “like us” at our WELS Facebook page to receive timely information and a convenient way to donate online toward missions. Missionaries, committee members, and administrators are available to make presentations to various church and school groups to tell our stories, letting WELS members know about the needs and opportunities to support the efforts of the JMC. Contact us to learn more.

The Lord continues to bless the work of the Joint Mission Council and our various mission committees and boards as they continue to share the gospel message. Pray that the Lord of the harvest will provide us with the resources to meet these opportunities.

Mr. Sean Young, reporter

Dr. Robert Anderson, member of WELS Board for World Missions
Rev. Keith Free, administrator of WELS Board for Home Missions
Rev. Howard Mohlke, chairman of WELS Board for World Missions
Mr. Jude Peck, representative of WELS Board for Home Missions
Rev. Larry M. Schlomer, administrator of WELS Board for World Missions
Rev. Wayne Uhlhorn, chairman of WELS Board for Home Missions
Mr. Sean Young, director of WELS Missions Operations

Advisory:

Rev. Paul Prange, administrator of WELS Board for Ministerial Education

Board for Ministerial Education

Floor Committee #11

Our calling

“**A**nd the things you have heard me say in the presence of many witnesses entrust to reliable men who will also be qualified to teach others” (2 Timothy 2:2).

The continuing scriptural purpose of our ministerial education schools is the preparation of candidates for the public ministry of the gospel to proclaim Christ’s love in the congregations, schools, and mission fields of our fellowship. The schools also include in their purpose the continuing education of those who already serve in the ministry of the gospel. A special emphasis of this biennium has been to identify and strengthen the partnerships with all of the areas and groups in our church body. Our report gives you an overview of the efforts to facilitate the coordination of that work. The reports from the four ministerial education schools demonstrate how they are carrying out their mission on your behalf.

Our current situation

The Board for Ministerial Education (BME) distributes subsidy to the ministerial education schools from a block grant supplied by the Synodical Council. The model has resulted recently in stable reserves and normal annual tuition increases for Wisconsin Lutheran Seminary (WLS) and Martin Luther College (MLC). In fact, MLC was able to lower its planned tuition increase for school year 2016–17. During the past biennium, the model gave more emphasis to the prep schools building up stable reserves as well. Luther Preparatory School (LPS) was able to do that. Michigan Lutheran Seminary (MLS) hopes that a special partnership with the Ministry of Christian Giving in 2017–18 will be able to help them accomplish that goal.

The BME has a working group on financial assistance with the goal that no student is denied the ability to train for the ministry of the gospel for financial reasons, something that we have not been able to say with certainty since 2003. The changes in the synod budgeting process in 2003 caused large tuition increases at our ministerial education schools without corresponding increases in financial assistance. The resulting classes at our schools were all smaller and accumulated more educational debt. Graduating classes at Wisconsin Lutheran Seminary (WLS) decreased from around 40 in the years leading up to 2011 to around 30 in the years following 2012. WLS has succeeded in catching up on financial assistance available. Through concerted mission advancement efforts and energetic student financial counseling, MLC may have turned the tide on student educational debt in 2016, and we may see the results with graduating classes at WLS returning to around 40 in 2023. In the meantime, pastoral vacancy rates in the synod may exceed 10 percent. Corresponding trends in the numbers of teacher graduates mean that vacancies in principal and early childhood director positions are often difficult to fill.

The BME has a working group on programmed maintenance to keep up with capital needs on our campuses. Capital campaigns at the schools are conducted in coordination with the Ministry of Christian Giving, reviewed and adopted as a regular part of the synod budget process. The synod in convention has established a Capital Projects Committee to work on the long-range capital plans of the ministerial education schools (see p. 98). The Lord gives us our daily bread, and we are grateful that the synod campuses are well maintained, with only a handful of immediate projects unfunded in the ministry plan for the upcoming biennium. Without increases in Congregation Mission Offerings and designations for ministerial education, however, there is cause for concern as we look out to the mid-term future.

With the blessing and encouragement of Home and World Missions, the ministerial education schools are establishing increasingly close partnerships with the world mission fields in our fellowship in order to help in the development

of their individual ministerial education programs. They have also been working on plans to increase the numbers of underrepresented minorities on our campuses and in our programs.

Over the last biennium, the ministerial education schools have put considerable effort into partnerships with the Conference of Presidents and the Congregation and Ministry Support Group, especially the Commission on Lutheran Schools, to expand current efforts in continuing education of called workers and the certification of principals and early childhood directors. See the separate report of the Continuing Education for Called Workers Committee on p. 16.

A look ahead

A special emphasis in the next biennium is likely to be the strengthening of our partnerships with the congregations serving urban Wisconsin populations that are using parental choice vouchers to enroll in their Lutheran elementary schools. The rapid expansion of the schools using this model has strained their ability to staff their classrooms with synod-certified teachers who are trained to work with students living in poverty.

We give thanks that the Lord of the Church continues to supply our synod with young men and women who are willing to serve anywhere that the Church needs them, who believe that the Bible is the infallible Word of God, who treasure the precious Lutheran heritage of proclaiming the unconditional gospel that has been passed to our generation with remarkable clarity, and who present themselves for service as faithful ministers of the gospel who subscribe without reservation to the Lutheran Confessions. We also give thanks for the individual congregations and members in those congregations who still think—contrary to the practice of just about every other national church body—that the investment of energy and financial resources in the thorough preparation of candidates for the public ministry of the gospel and the deepening of those who are already serving is a sound and wise synodical commitment.

Rev. Paul Prange, reporter

Rev. Philip Hirsch, chairman

Rev. John P. Bortulin

Rev. Kenneth Brokmeier

Rev. Gregory Gibbons

Teacher Richard Gibson

Mr. Hogey Holtz

Mr. Kyle Koltz

Teacher Kurt Rosenbaum

Mr. Brian Scheele

Mr. Dean Waldschmidt

Rev. Thomas Westra

Teacher Jon Woldt

Rev. Michael Woldt

Advisory:

Pres. Matthew Crass, Luther Preparatory School

Pres. Joel Petermann, Michigan Lutheran Seminary

Mr. Todd J. Poppe, WELS chief financial officer

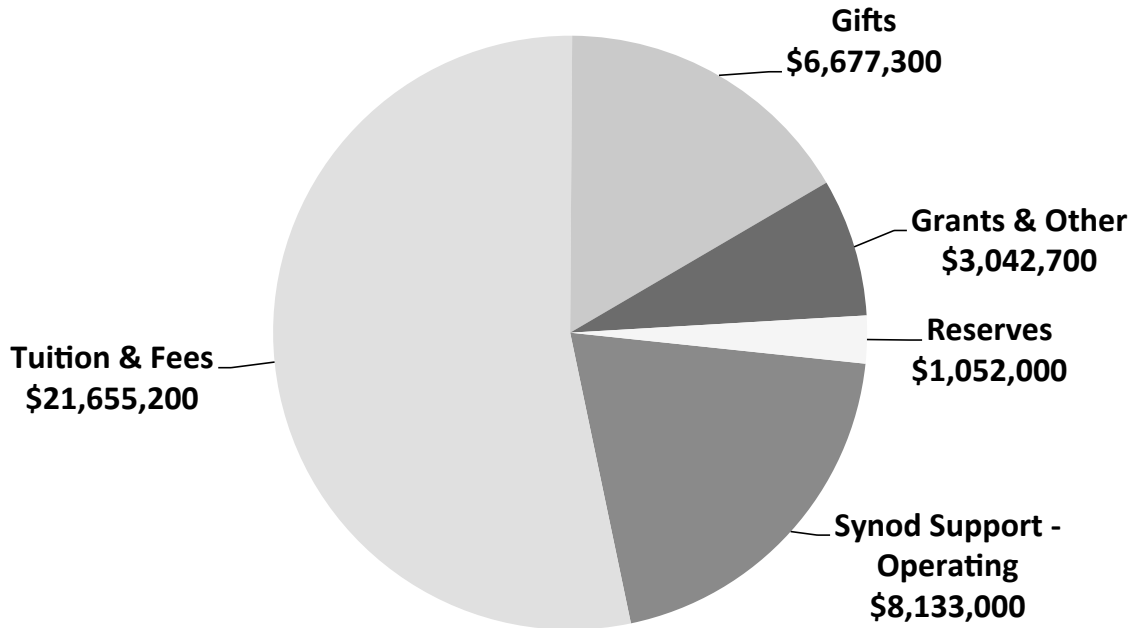
Rev. Paul Prange, administrator of WELS Board for Ministerial Education

Rev. Mark Schroeder, WELS president

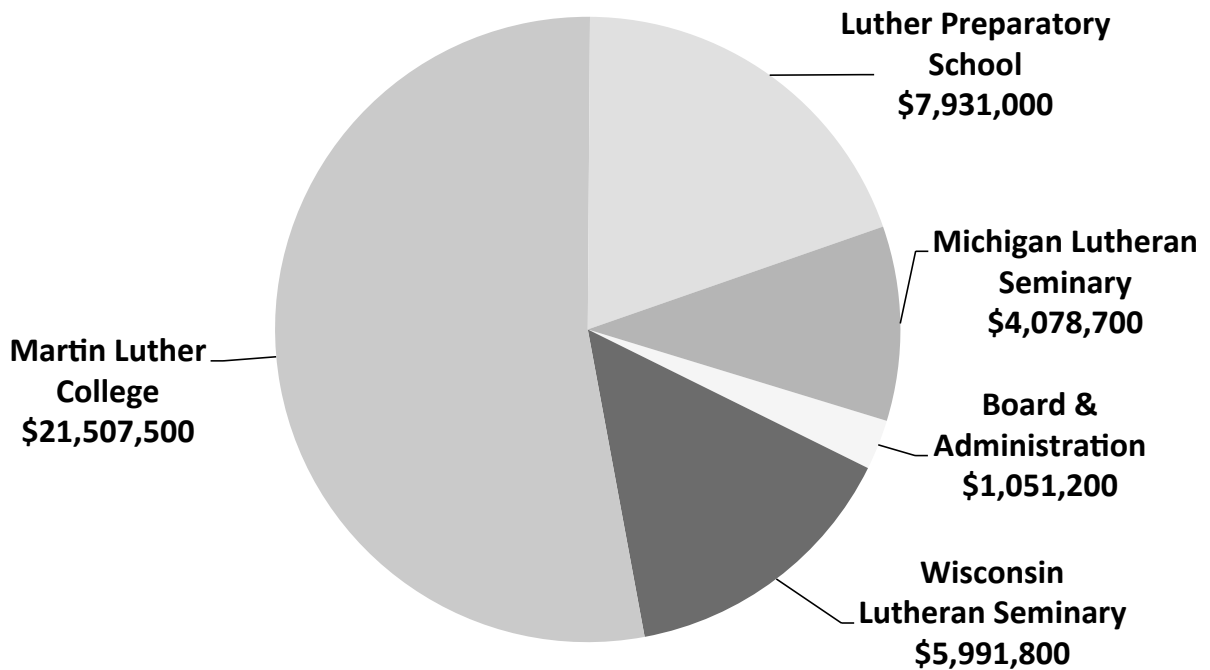
Pres. Paul O. Wendland, Wisconsin Lutheran Seminary

Pres. Mark Zarling, Martin Luther College

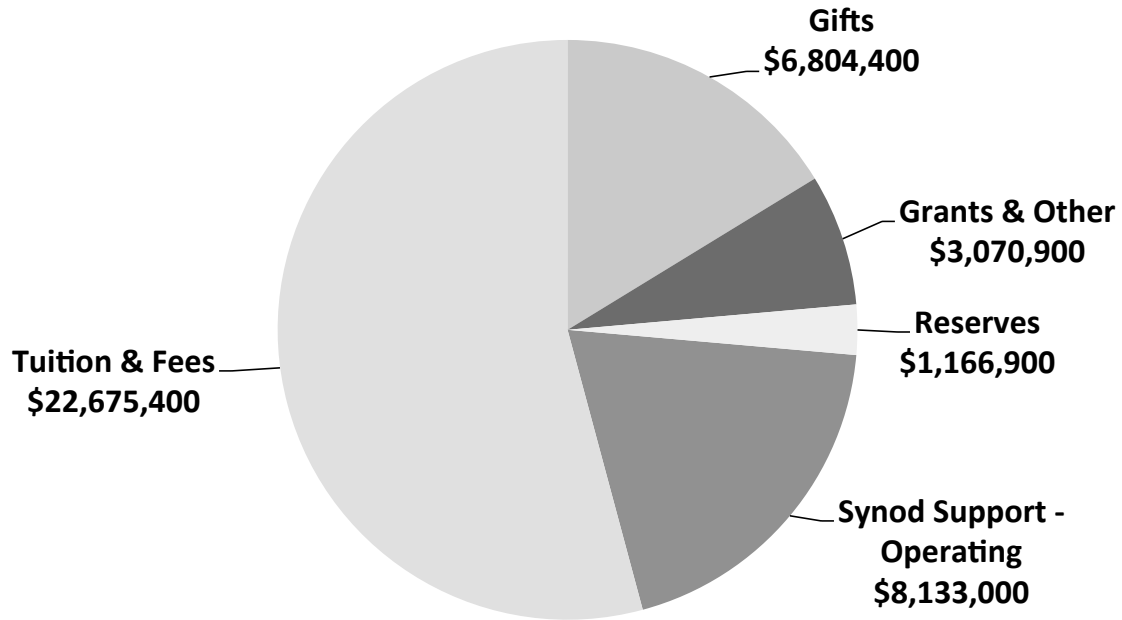
FY 2017-18 Support Ministerial Education \$40,560,200



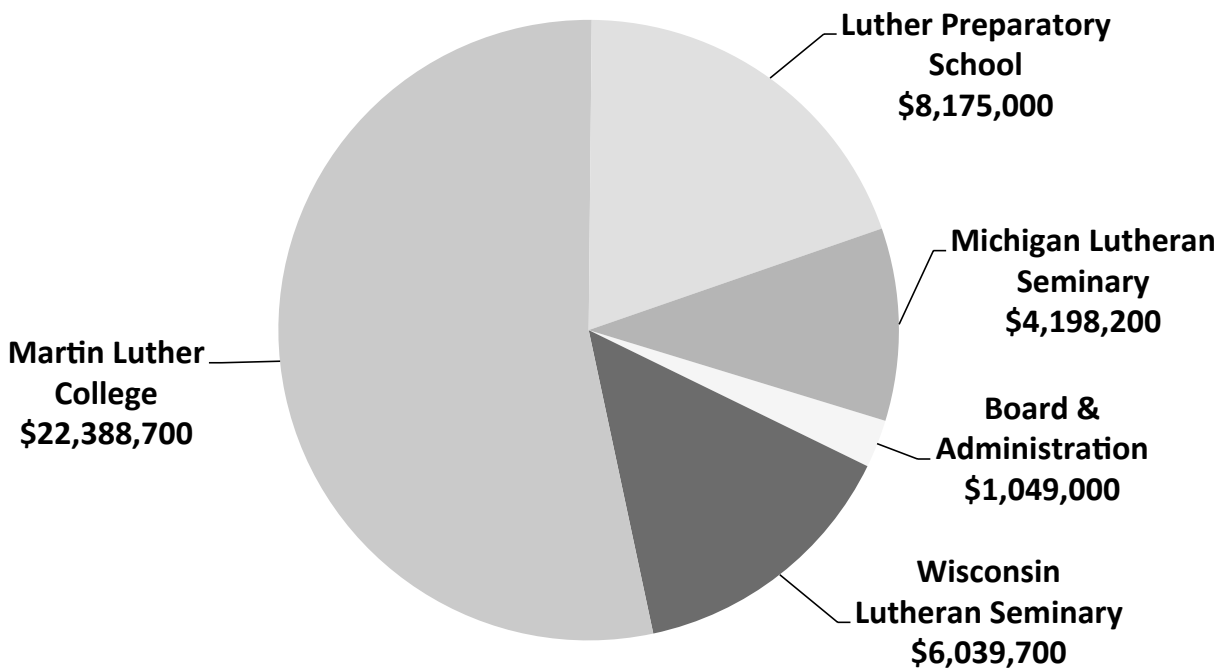
FY 2017-18 Expenses Ministerial Education \$40,560,200



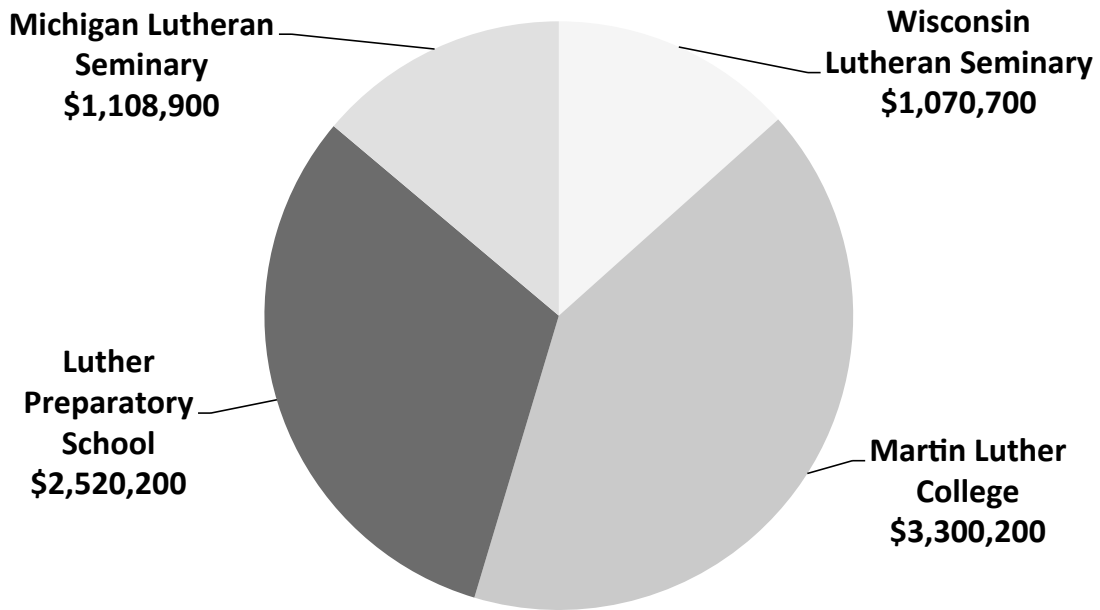
FY 2018-19 Support Ministerial Education \$41,850,600



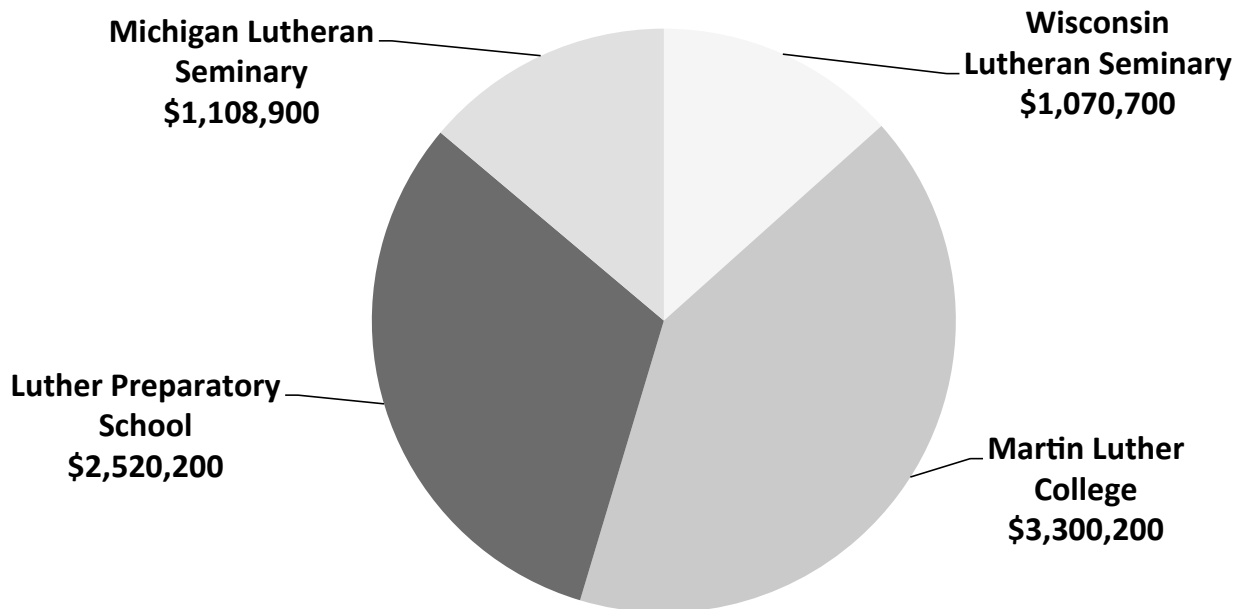
FY 2018-19 Expenses Ministerial Education \$41,850,600



**FY 2017-18 Synod Support
Ministerial Education
\$8,000,000**



**FY 2018-19 Synod Support
Ministerial Education
\$8,000,000**



Wisconsin Lutheran Seminary

Floor Committee #11

Our calling

Wisconsin Lutheran Seminary prepares pastors for the worldwide mission of WELS, including churches and cultural groups within its confessional fellowship. In partnership with sister seminaries and theological training programs of its fellowship, WLS accomplishes that singular purpose with two distinct emphases. Primarily, WLS prepares men to begin pastoral ministry by providing the spiritual, theological, and professional training needed to enter that ministry. WLS also partners with pastors in their ministry-long pursuit of spiritual, theological, and professional growth in all their God-given callings.

Our current situation

Enrollment

Traditional students

This year we had 30 juniors, 28 middlers, and 26 seniors on campus. In addition, 25 vicars are serving in congregations throughout the United States and Canada this year. One student is serving in an emergency situation and one colloquy student joined us on campus, bringing our enrollment to 112.

In May we look forward to placing 26 candidates into permanent fields of ministry and 27 vicars into congregations for a year of practical ministry experience.

Enrollment projections

For the 2017–18 school year we anticipate 30 juniors, 30 middlers, and 26 seniors. With 27 vicars in the field, this would put our total student enrollment at 113.

Field services

Vicars

It costs about \$41,000 to fund a vicar. Currently, the vicar year is funded in part by congregations, some of which pay all or a substantial part of the cost. Because the expenses of this vital program exceed the financial ability of many churches, Wisconsin Lutheran Seminary has identified additional sources of funding to enable more congregations to consider hosting a vicar. Our desire is to present to our students the broadest possible range of experiences in different districts and settings. We are grateful for all the supervising pastors who act as adjunct faculty for WLS. Through \$50,000 in grants provided by the Conference of Presidents, the seminary worked with several congregations to make hosting a vicar feasible. In addition, for many years the seminary has been working in partnership with the Board for Home Missions on “Vicar in a Mission Setting” to provide substantial funding to ensure vicars get experience in mission settings. This year the seminary has budgeted \$250,000 to fund this program. The need for more gifts to support this vital preparation is imperative.

Summer assistants

Seven students served this past summer in our summer Student Assistant program. The congregations are located in Alaska, Wyoming, Montana, Texas, and Wisconsin. This program is a joint effort by the seminary and the Board for Home Missions in which students gain valuable parish and outreach experience before their vicar year in both mission congregations and self-supporting ministries.

Early field training

Each year, juniors and middlers are assigned to nearby congregations to participate in our Early Field Training Program. This program intends to provide a practicum for the various practical theology classes students take during their first and second years at the seminary. Under the supervision of the local pastor, students complete a list of assignments that includes both observation and actual ministry, e.g., leading the liturgy, assisting with communion, teaching Sunday school and teen Bible classes, visiting the sick, making evangelism calls. In addition, each fall, middlers visit local Lutheran elementary schools to learn how to prepare and teach confirmation classes.

While we have enjoyed many blessings from this program over the years, in the next biennium the seminary plans to evaluate and reconfigure our Early Field Training to provide our students with a richer experience in evangelism.

With the advent of our new evangelism professor, we intend to connect his duties more closely with this program. Just as every student gets direct congregational experience in preaching and teaching while at the seminary, so also do we want all our students to acquire the attitudes, aptitudes, and skills for congregational evangelism.

Senior assistants

About half the members of the senior class serve part time in local congregations and area ministries to both assist pastors and gain additional experience.

Winterim

This two-week period between first and second semester gives students and professors an opportunity for academic and practical enrichment. Specialized classes that are not part of the regular curriculum are offered. A student can propose his own independent study plan. Others sign up for off-campus mission trips and study tours. This year

- 55 students took courses on campus.
- 3 students went on a study tour of Mexico and participated in service opportunities.
- 13 went on a study tour of Israel.
- 11 students participated in outreach opportunities in Texas.
- 7 conducted independent research.
- 3 pastors participated in Winterim.

Recruiting

Senior Paul Spaude served as our student recruiter for 2016–17. On average, he made two presentations a week at area grade schools and reached out to high schools.

The seminary hosted a grade school chapel service where 300 students and 50 chaperones came from 13 Lutheran elementary schools. This service encouraged the young people in their walk with Christ and gave them the opportunity to visit with seminarians, explore the campus, and learn more about the path men take to become pastors.

Mandarin scholarships

Two students are auditing Mandarin classes at Wisconsin Lutheran College (WLC). They receive scholarships from both WLC and WLS that allow them to devote themselves first and foremost to their WLS student work, then secondly to the Mandarin study without having to find additional part-time employment.

Archives

Volunteers, under the supervision of synod archivist Mrs. Susan Willems, have been moving the synod archives from Wisconsin Lutheran Seminary to the WELS Center for Mission and Ministry. The entire collection will be moved by the end of the year. The seminary has committed \$200,000 of its own funds to the completion of this synod project.

Seminary Chorus

This year, the choir made appearances at 12 congregations, three area Lutheran high schools, and Luther Preparatory School. They visited three high schools and four congregations on a five-day tour in Minnesota and Wisconsin.

The new Pastoral Studies Institute Team of Wisconsin Lutheran Seminary

Until this past school year, the Pastoral Studies Institute (PSI) was set up to guide and assist non-traditional students through their pre-seminary and seminary training, either on campus or through a student's home congregation. It was designed to allow them flexibility on a path to ministry. However, due to the new opportunities that exist in Home and World Missions outreach in the 21st century, a new PSI Team was created at the synod's request.

Background for the creation of the new PSI Team

Typically, the WELS model for overseas outreach started with the Board for World Missions identifying a field and then sending missionaries abroad to plant confessional churches. Missionaries would evangelize, gather groups of believers, and identify and train national leaders to carry on the work. Now, our synod is receiving calls for help to train pastoral leaders from groups already gathered, not only in North America but also throughout the world. Some of this realignment has happened because many Lutheran churches in the so-called third world are seeking partnerships with Lutheran churches more loyal to the Scriptures. Some has happened due to an increasing trend of circular immigration—people entering the United States, returning to their homelands, then coming back again. Immigrant believers seeking conservative churches make contact with a local WELS congregation. Filled with the unconditional gospel we both confess, these immigrants are driven by the urgency of Christ's love to seek out others from their ethnic background, not only in North America, but also in their countries of origin.

For quite some time, the seminary has been making every effort, through the PSI, to meet the increasing demands for pastoral training from various ethnic groups in the western hemisphere—South Sudanese, Hmong, Somalians, and Koreans, to mention just some of them. Immigrant leaders began to ask for help to return to their homelands or to the refugee camps where many of their people still lived. In response, the synod's Joint Mission Council authorized exploratory visits, with PSI involvement, to assess the needs.

In addition to requests emanating from North America, Lutheran groups overseas were also approaching WELS, either directly or through our sister churches, asking for assistance. Ethiopia, Kenya, and Vietnam all became part of this rising tide.

The seminary's PSI was becoming increasingly beset with the best of all problems—more opportunities to offer solid confessional training than the seminary could handle. Who could go to assess and prioritize these opportunities? Who was available to propose a suitable response to these requests?

The creation and make-up of the new PSI Team

Leaders from the Board for Ministerial Education, Wisconsin Lutheran Seminary, the Board for Home Missions, and the Board for World Missions met to look for answers. The result, affirmed and authorized by the Synodical Council, was to call Pastor Jonathan Bare as the international recruitment director. He serves alongside the seminary's PSI director, Prof. E. Allen Sorum, and world mission seminary professor, Prof. Bradley Wordell.

What makes this PSI Team new is that its responsibilities are broader than simply to represent WLS in our mission to train authentic Lutheran pastors. At the synod's request, the team also represents World Missions, Home Missions, and the Board for Ministerial Education as we all work together to assess and prioritize requests and to mobilize all possible resources to provide the best possible answers.

World mission seminary professor

In 2016–17, eight members of the WLS faculty taught and consulted on curriculum and instruction for theological training programs of our fellowship around the world. Included were pastor training programs in Canada, East Asia, Confessional Evangelical Lutheran Conference–Europe, Hong Kong, Japan, Liberia, Kenya, Malawi, Nepal, Russia, Vietnam, and Zambia. More than 12 different courses were administered to more than 120 pastoral candidates, as well as 100 pastors and laypeople.

At the request of the Confessional Evangelical Lutheran Conference's Theta Commission, the World Seminary Digital Library (a digital library of public domain resources) has been launched and is being promoted. To facilitate the exchange of materials and teaching methods between fields, a private discussion board has also been set up.

Grow in Grace

Grow in Grace partners with pastors for lifelong growth in all their callings by offering courses and events, retreats and mentoring, study packages, and informal resources.

Responding to pastors' requests, we are moving forward with a plan that begins in 2018 to host on-campus Summer Quarter only in even-numbered years and then set up regular satellite Summer Quarters in all eleven other districts in odd-numbered years.

In addition, it has become increasingly clear what a powerful positive impact it has on called workers when lay leaders not only encourage continuing education but also support it with financial support for that growth and the time needed to pursue growth.

The comprehensive report can be found in the Continuing Education for Called Workers Committee report on p. 16.

The seminary then and now

Key to understanding the seminary's current staffing and finances is to understand the seminary's expanded role in serving WELS. Our statement describing "Our calling" at the beginning of this report uses the wording in the seminary's mission statement, newly updated to reflect that expanded role. Allow us to highlight the differences by a brief "then and now" comparison between the seminary in the early 2000s and today, focusing on the areas of finances, service, and staffing.

Finances

In the early 2000s, the mission of the seminary was supported primarily by synod subsidy, supplemented by special gifts for scholarships. Major capital expenses, such as the renovation of the chapel, were made possible by one-time

special gifts and offerings. We remain grateful for and dependent on the subsidy and other support that we receive from WELS to carry out current duties. This support is vital for maintaining the close link that exists between the synod and its seminary.

The subsidy figure has, however, remained essentially flat for the last ten years, averaging around \$1,000,000. To respond to new challenges and opportunities as well as to support our core efforts, we are now increasingly dependent on special gifts. In contrast with the early 2000s, more than 50 percent of our support now comes from them. In all likelihood, major capital projects will continue to be dependent upon ongoing special gifts. Finally, in addition to carrying out the same ministry we carried out earlier, these gifts are also supporting the widened areas of service mentioned below.

Service and staffing

The areas of greatest expansion in the ministry we carry out have occurred in connection with the Pastoral Studies Institute (PSI) program (as described in the section titled “The new Pastoral Studies Institute Team of Wisconsin Lutheran Seminary”), continuing education, and the vicar program.

In the early 2000s, the mission and ministry of the seminary was almost entirely focused on the traditional program for training pastors, supplemented by a continuing education program that offered Summer Quarter courses and pastors’ institutes. We served a census of just more than 170 traditional students with 17 professors. Vicars were supported mainly by traditional congregations with the financial resources to do so, along with 12-15 (about a third) being called to serve in Vicar in a Mission Setting congregations. These were supported by the Board for Home Missions.

At the request of the synod, the seminary expanded its role to include oversight of satellite seminary training programs for ethnic population groups in the United States. While maintaining the number of professors at 17, this early form of the PSI was administered by a current professor who used 60 percent of his time to carry out this ministry.

A few years later, as the needs of world mission seminaries increased, a world mission seminary professor position was added to WLS. His position was intended to ensure that the seminary could respond to requests for WLS professor-taught courses at our world seminaries. Rather than add additional staff, in view of the fact that our enrollment was beginning to decline, we filled the position without increasing the total number of professors. The reasons for calling the international recruitment director, as well as the greater responsibilities of the new PSI Team, are given in greater detail in that section of this report.

Also at the request of the synod, the seminary ramped up its continuing education efforts. Grow in Grace was created. A half-time administrator was called—again without adding to the overall number of WLS professors, which remained at 17. Courses began to be offered online, and (with greater frequency) off site. We added the new graduate mentoring program and expanded our efforts to support the spiritual well-being of all pastors currently serving. Although at one time we had hoped Grow in Grace would be self-supporting within a fairly short interval, experience has shown that the seminary’s subsidy for this program will have to continue.

In addition, as already mentioned, the seminary has for a number of years now partnered with Home Missions in providing significant financial support for the Vicar in a Mission Setting program. More than two-thirds of our vicar candidates are placed through this program.

Finally, the seminary remains committed to offering the very best training possible in all our programs—both MDiv and graduate. For this reason, we have also set aside resources—both time and money—to support our professors as they pursue continuing education in their areas of responsibility.

If someone asks, “Why does the seminary still need 17 professors in an era when total enrollment now hovers around 110?” the simple answer is, “because of the expansion of our ministry in the areas mentioned above.” Professors are engaged in developing and teaching online courses in addition to teaching Summer Quarter. They are travelling off site to offer training courses and continuing education both at home and in our world seminaries. They are traveling throughout the world to meet with and evaluate gathered groups who come to WELS seeking help and training. They are serving as administrators for the functions the synod has asked us to carry out.

Faculty and staff

Faculty studies

Prof. Stephen Geiger is pursuing a doctorate in classics. Prof. Bill Tackmier is completing his dissertation. Prof. Earle

Treptow is enrolled in doctoral courses for systematic theology. Prof. Bradley Wordell is pursuing a doctorate with a concentration in missions and evangelism. Pastor Jonathan Bare is pursuing a doctorate. Prof. Joel Otto is working on his thesis for his Masters of Theology in church history. Prof. Thomas Kock completed his masters courses.

Faculty/staff changes

Prof. Joel Otto became the dean of students in summer 2016. Prof. Earle Treptow assumed the duties as vice president after Prof. Daniel Leyrer accepted a call to St. Marcus, Milwaukee, Wis. Prof. Korthals will retire at the end of the 2016–17 school year. We thank God for the faithful, dedicated service of both Professors Leyrer and Korthals.

2016 anniversary in ministry celebrations

40 years:

Prof. James Korthals, church history/homiletics

Prof. James Tiefel, worship/homiletics/dean of chapel

2016 service anniversaries

30 years:

Mr. Curtis Wenthur, buildings and grounds director

25 years

Prof. John Brenner, dean of students/church history/systematic theology

20 years:

Ms. Linda Wenthur, buildings and grounds

Mr. Brian Treichel, business manager and treasurer

15 years:

President Paul O. Wendland, New Testament

10 years:

Ms. Lori Guse, mission advancement coordinator

Prof. Kenneth Cherney, Old Testament/systematic theology/*Wisconsin Lutheran Quarterly* editor

2017 anniversary in ministry celebrations

40 years:

Prof. John Brenner, dean of students/church history/systematic theology

25 years:

Prof. Thomas Kock, education/Old Testament

Prof. Bradley Wordell, Old Testament/systematic theology/world mission seminary professor

2017 service anniversaries

35 years:

Ms. Kathy Gehrke, food service

20 years:

Prof. James Korthals, church history/homiletics

Prof. John Schuetze, systematic theology/pastoral theology

15 years:

Prof. Paul Zell, New Testament/homiletics

Ms. Catherine Zell, administrative assistant in the library

10 years:

Ms. Carol Puglisi, accounting director

Governing board

Pastor Tom Westra, our chairman of the board, retires this year. We will miss his counsel and leadership. Teacher Greg Milbrath and Pastor Jon Bitter were elected to our board in 2016. Pastor Nathan Buege was appointed to fill the rest of Pastor Eric Hartzell's official term since Pastor Hartzell took a call out of the district.

We thank Teacher David Wilson and Pastor John Dolan for their faithful service in the past. Pastor Eric Hartzell has been appointed as an adjunct member and continues to serve in that capacity.

Educational costs

The total cost of education is around \$25,000 per student per year. Only part of this cost is borne by the student, however. This year, tuition was \$9,635. Dormitory students paid an additional \$7,380 for room and board. The rest of the educational cost is funded through Congregation Mission Offerings and gifts from individuals. In addition, students receive gifts and grants from the seminary's financial aid funds.

This year, 87 of 87 students (100 percent) received grants averaging \$3,700. We disbursed \$322,050 in grants and awards as follows:

- scholarship grants, awarded in connection with declared financial need: \$277,050;
- campus service awards that acknowledge student faithfulness in carrying out tasks for the well-being of our whole campus family: \$17,500; and
- academic achievement awards, which recognize classroom performance as reflected in student GPAs: \$32,000.

WLS's financial aid represents somewhat less than half of the total package of financial aid received by its students. Generous grants from foundations such as Siebert and Salem combined with direct gifts from congregations and individuals raise the average amount of aid to those students receiving aid to an amount equal to or even exceeding tuition.

Concerning student debt, in 2015–16, the figure was \$24,717. Spousal educational debt was included in those figures. For 2015–16, students owed a total of \$1,067,569 in government loans. Of that, \$664,050 was student debt and \$403,519 was spousal debt. For the 2016–17 school year, overall student indebtedness experienced a significant increase per student. Average debt per student in debt in 2016–17 is \$31,208. Spousal educational debt is included in these figures. For 2016–17, students owed a total of \$1,511,781 in government loans. Of that, \$924,540 was student debt and \$587,242 was spousal debt.

A look ahead

Accreditation Exploration Committee

The seminary's governing board has approved the seminary's seeking accreditation for our programs of study, and a committee has been formed to work with Association of Theological Schools (ATS) to begin the process. We can see the value of accreditation both for our United States programs of continuing education and to offer support for our sister seminaries overseas. For them, affiliation with an accredited U.S. seminary increases their credibility and the ease with which they can receive official recognition in their home country.

Exploring accreditation is not a commitment to become accredited, however. If at any stage it becomes apparent that our theology or mission would be compromised, the process would be halted. The entire synod should be aware that successfully achieving accreditation would likely entail calling more professors to decrease workload, necessitate that some professors in each department receive advanced degrees, and require more support staff to manage the business side of maintaining an accredited institution. In other words, the seminary will likely require additional manpower and financial support to achieve and maintain accreditation.

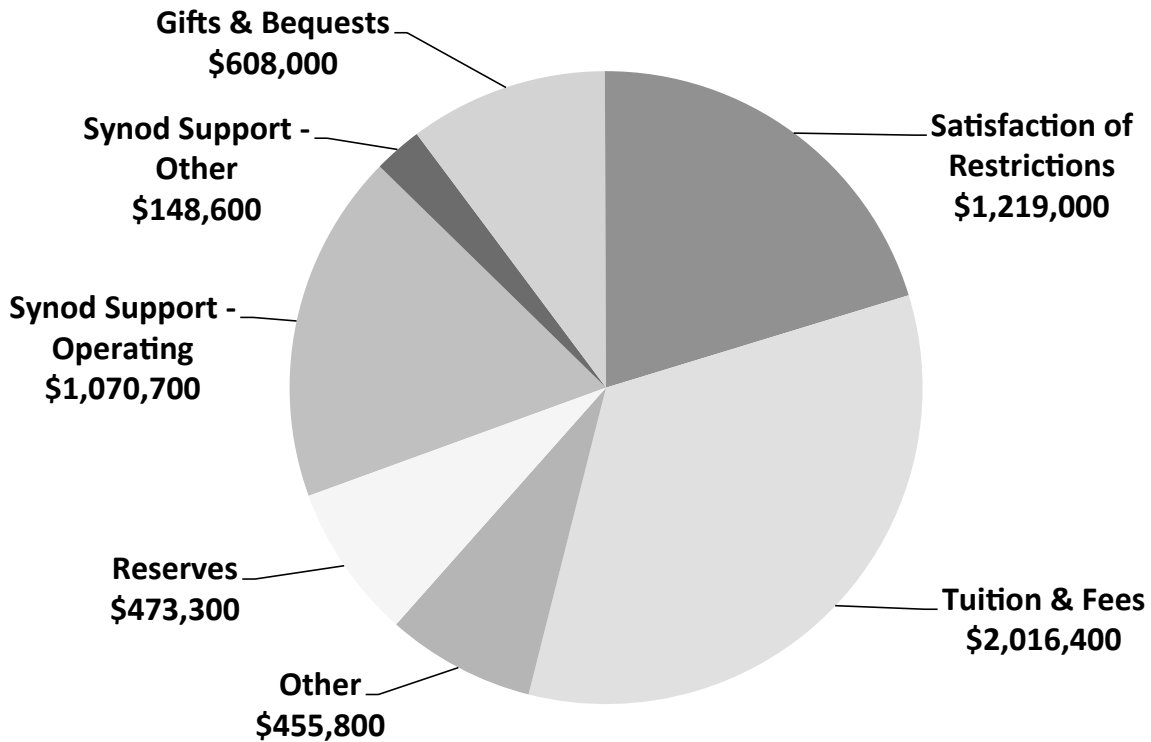
Pres. Paul O. Wendland, reporter

Rev. Thomas Westra, chairman
Rev. Jonathan Balge, vice chairman
Teacher Greg Milbrath, secretary
Pastor Jon Bitter
Dr. Arthur Eggert
Rev. Nathan Buege
Mr. Gerald Zimpelmann
Mr. Daniel L. Shinnick

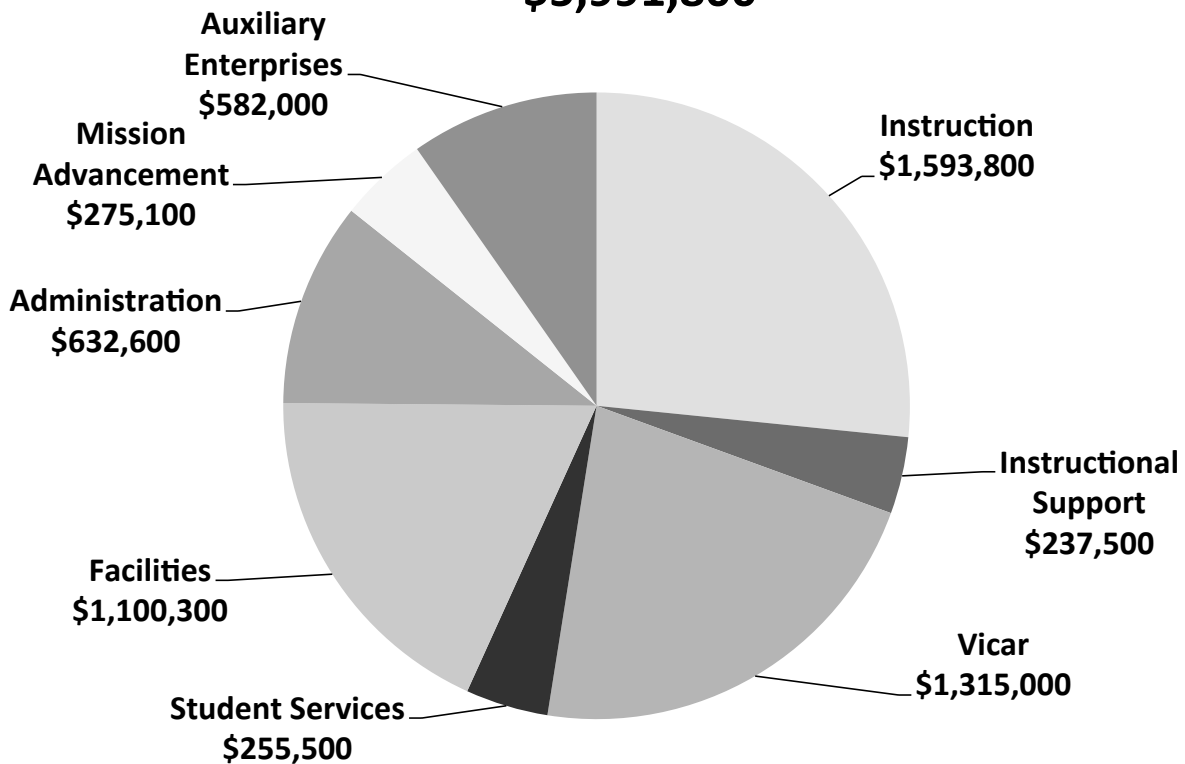
Advisory:

Rev. Paul Prange, administrator of WELS Board for Ministerial Education
Rev. David Kolander, president of the Southeastern Wisconsin District
Rev. Mark Schroeder, WELS president
Pres. Paul O. Wendland, Wisconsin Lutheran Seminary

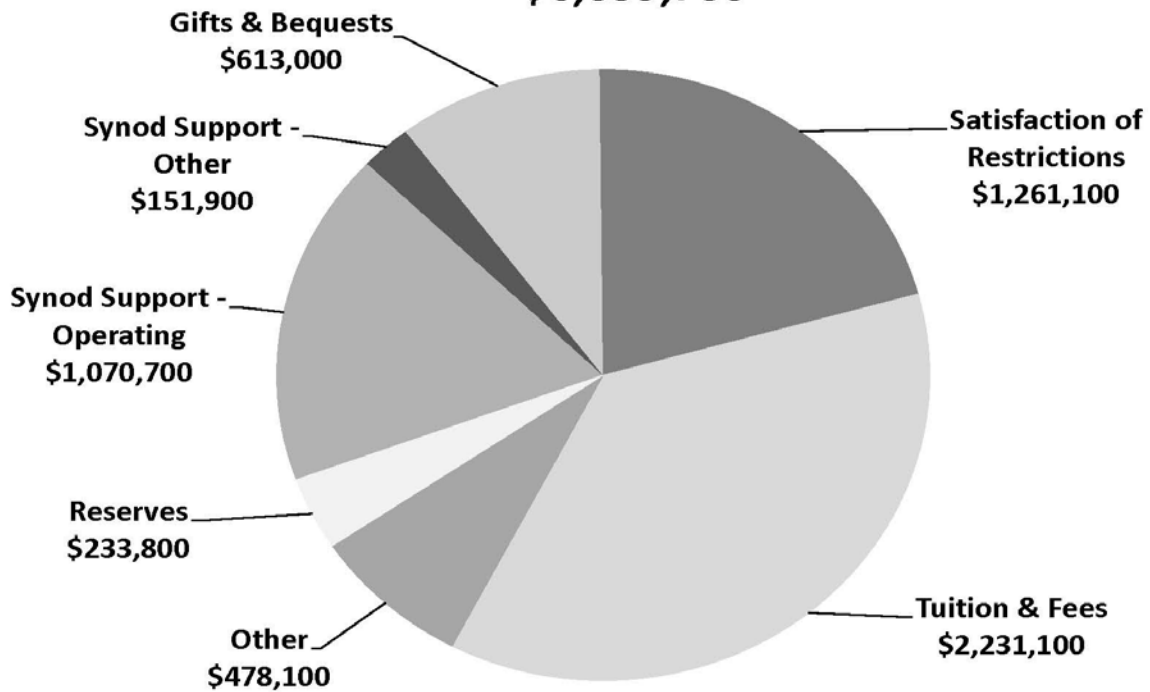
**FY 2017-18 Support
Wisconsin Lutheran Seminary
\$5,991,800**



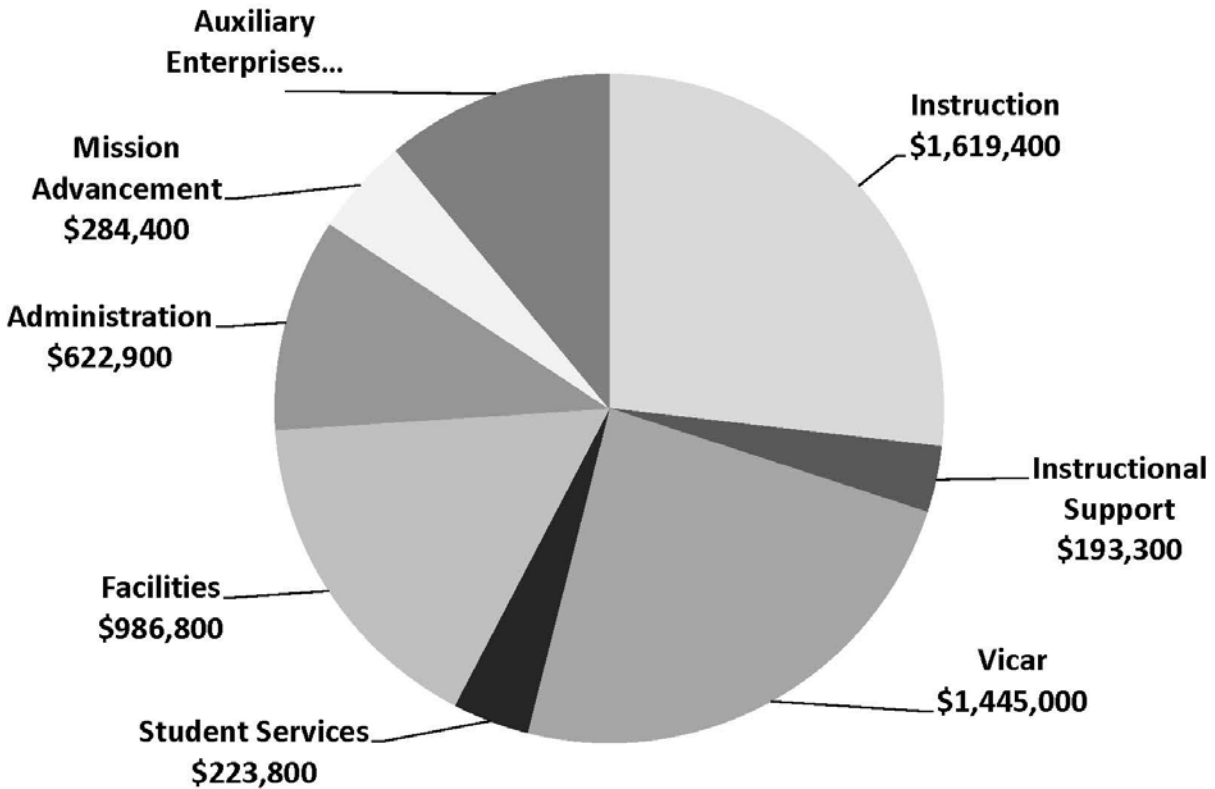
**FY 2017-18 Expenses
Wisconsin Lutheran Seminary
\$5,991,800**



**FY 2018-19 Support
Wisconsin Lutheran Seminary
\$6,039,700**



**FY 2018-19 Expenses
Wisconsin Lutheran Seminary
\$6,039,700**



Martin Luther College

Floor Committee #11

Our calling

The mission statement of Martin Luther College (MLC) clearly communicates our calling.

The mission of Martin Luther College is to train a corps of Christian witnesses who are qualified to meet the ministry needs of the Wisconsin Evangelical Lutheran Synod (WELS) and who are competent to proclaim the Word of God faithfully and in accord with the Lutheran Confessions in the Book of Concord.

To meet the current ministry needs of WELS, Martin Luther College

- Prepares men for pastoral training at Wisconsin Lutheran Seminary;
- Prepares men and women for service as teachers and staff ministers in the synod's churches, schools, and other institutions;
- Prepares men and women for other church ministries, both full and part time, responding to the needs of WELS;
- Prepares international students for ministry in partnership with WELS mission fields; and
- Provides programs of continuing education that meet the ministerial needs of the WELS.

Please join the governing board and campus family of MLC in praying that Jesus bless our labors and keep us clearly focused on our purpose: we exist to use the Word of life to proclaim the LORD's "unfailing love and his wonderful deeds for men."

Our current situation

God's gifts to MLC: Students—undergraduate

The fall opening on-campus enrollment was 742, up 19 from the previous year. The second semester opening enrollment in January 2017 was 710, up 25 from the previous year. Not counted in either semester enrollment numbers are five emergency teachers.

The following charts reflect the enrollment as of Jan. 18, 2017.

Program of study	Number of students
Double major - Early childhood education and elementary	27
Double major - Early childhood education and special education	8
Double major - Elementary and parish music	1
Double major - Elementary and secondary	144
Double major - Staff ministry and education	3
Early childhood education	54
Educational studies	5
Elementary education	205
Pre-seminary studies	169
Secondary education	76
Staff ministry	7
Unclassified	9
Undeclared	2
Total	710

High school type	Number of students
Area Lutheran high school	356
Home school	6
Other	10
Preparatory school	239
Public	96
WELS	3
Total	710

Enrollment trends over six years

<i>School year</i>	<i>Semester 1 enrollment</i>	<i>Semester 2 enrollment</i>
2011-12	697	665
2012-13	708	693
2013-14	714	694
2014-15	727	709
2015-16	723	685
2016-17	742	710

God's gifts to MLC: Students—graduate, continuing education, and New Teacher Induction

Graduate studies

Martin Luther College offers WELS teachers and administrators two graduate degrees. The Master of Science in Education currently has 107 teachers enrolled in areas of instruction, educational technology, special education, and leadership. The Master of Science in Educational Administration serves 12 principals and 5 early childhood directors with the knowledge and skills specific to leadership in WELS schools. Since the graduate program was begun in 2005, MLC has awarded 92 master's degrees.

21st-Century Principal Initiative

In partnership with the Commission on Lutheran Schools and the Conference of Presidents, MLC will assist in preparing cohorts of new principals. Veteran teachers not currently serving as principals will be recruited to prepare for the principal position. Part of the training will be completion of MLC's Master of Science in Educational Administration degree. The goal is to have 15 fully trained, new principals available for calls each year beginning in 2020.

Continuing education

The college offers a wide variety of courses and certificates to meet the ministry needs of WELS. Since 2012, course enrollments have doubled. We now serve about 1,000 WELS teachers, pastors, staff ministers, and laypeople each academic year. Responding to the needs of the synod, our continuing education is practical, convenient, and affordable.

New Teacher Induction

MLC is working in partnership with the Commission on Lutheran Schools to provide mentoring to all beginning WELS teachers. The New Teacher Induction program is in its second year of synodwide implementation. Supporting WELS beginning teachers during their initial formative years of ministry is critical for maximizing the synod's investment in these workers and is essential for the future health of our teaching ministerium. The program brings observation and coaching to first- and second-year teachers. In 2016, 84 percent of these new educators reported that the mentoring relationship has built and extended their competence and effectiveness related to best teaching practices. Work continues with district leaders to ensure meaningful synodwide implementation that meets the different contexts of our 12 districts.

God's gifts to MLC: Personnel

During the academic year 2016–17, the following professors celebrated ministry milestones:

- David Bauer, 40 years in ministry
- James Grunwald, 40 years in ministry
- Mark Stein, 25 years in ministry

The following professors have announced their intention to retire on June 30, 2017:

- Joyce Diels, professor of mathematics
- James Grunwald, director of academic computing, professor of educational technology
- Earl Heidtke, professor of social sciences
- Kermit Moldenhauer, professor of music
- Kenneth Rupnow, professor of mathematics

Professors who have begun service to the college in this school year:

- Craig Hirschmann, professor of music
- Greg Holzhueter, professor of mathematics
- David Scharf, professor of theology
- Nathan Wordell, tutor and instructor
- Julius Buelow, instructor of Hebrew during Prof. Thomas Nass's sabbatical

Faculty calling activity for school year 2016–17:

- Rachel Fredrich has accepted the call to serve as professor of mathematics.
- Timothy Grundmeier has accepted the call to serve as professor of history.
- Jonathan Laabs has accepted the call to serve as professor of music.
- Kari Miente has accepted the call to serve as professor of social sciences.
- Tyson Zarnstorff has accepted the call to serve as professor mathematics.
- Calling continues to fill the position of director of academic computing, professor of educational technology.

Early Childhood Learning Center lead teachers:

- Elizabeth Klugherz is completing her first year as the director.
- Tarah (Steinbrenner) Beduze is completing a one-year assignment as lead teacher.
- Cathy Biedenbender has accepted a call to serve as lead teacher beginning in 2017–18.
- Natalie Borgwardt continues to work toward her early childhood license.

Student life

- Wendy Ristow is concluding her service to MLC as director of women's services, having served faithfully the last nine years.
- Angela Scharf has accepted the call to serve as director of women's services.
- Pastor Isaac Crass is concluding his service as tutor; Pastor Nathan Wordell is continuing his service as tutor.

God's gifts to MLC: Finances

There are many reasons for MLC to be grateful to the Lord. The chart below highlights a few of the many areas in which MLC has been blessed.

	FY 2014	FY 2015	FY 2016	FY 2017*
Opening enrollment	714	727	723	742
Tuition, board, and room	\$17,160	\$18,020	\$18,920	\$19,490
Synod subsidy	\$3,193,500	\$3,079,300	\$3,011,660	\$3,011,660
Gifts and bequests	\$2,450,051	\$2,618,340	\$2,110,799	\$1,208,517
Unrestricted net assets at end of fiscal period	\$5,926,056	\$6,595,755	\$6,520,538	\$6,749,720

* as of February 2017

Financial aid—student cost and indebtedness

MLC continues to focus efforts on raising tuition assistance for students while limiting increases to tuition, room, and board. For fiscal year 2017–18, the MLC Governing Board approved a five percent increase to tuition, room, and board and a five percent increase in tuition assistance. In addition, the MLC Mission Advancement Office summary given below will highlight God's blessings upon recent efforts to increase financial aid resources for our students.

Funding specifically directed toward tuition assistance has grown significantly over the last few years, as illustrated in the next chart:

	FY 2013	FY 2014	FY 2015	FY 2016
Temporarily restricted net assets	\$ 1,766,677	\$ 2,601,674	\$ 2,837,791	\$ 2,492,269
Permanently restricted net assets	\$ 4,330,767	\$ 4,558,852	\$ 5,669,497	\$ 6,022,536
Total restricted net assets	\$ 6,097,444	\$ 7,160,526	\$ 8,507,288	\$ 8,514,805

Even with these increased efforts in place, tuition assistance has not been able to keep pace with flat synodical subsidy.

	MLC tuition assistance	Average per student receiving aid	WELS subsidy per student
2010-11*	\$1,914,100	\$3,112	\$5,085
2011-12*	\$2,036,105	\$3,434	\$4,574
2012-13*	\$2,147,421	\$3,366	\$4,260
2013-14*	\$2,221,348	\$3,072	\$4,473
2014-15*	\$2,358,648	\$3,148	\$4,236
2015-16*	\$2,592,604	\$3,311	\$4,165
2016-17*	\$2,937,987	\$3,845	\$4,060
2017-18**	\$2,701,330	\$3,650	\$4,460

*Actual

**Budgeted (estimated enrollments used for budget year)

MLC remains concerned about student debt. The following chart indicates a disturbing trend in national college graduate debt.

	% MLC graduates with debt	Average amount of debt	National debt average
2011-12	80%	\$21,671	\$27,850
2012-13	84%	\$21,997	\$28,400
2013-14	69%	\$21,463	\$28,950
2014-15	71%	\$25,519	\$30,100
2015-16	74%	\$22,822	\$37,175

While MLC graduate debt is below the national average, consideration must also be given to compensation levels after graduation. At the same time, let us thank the Spirit's work through Christian parents who have taught biblical stewardship to their children. MLC students glorify their Savior with an outstanding repayment rate. The latest report from the Department of Education (received in February 2017) shows that of the 194 MLC students who entered Federal Student Loan debt repayment between 10/01/2013-9/20/2014, only 3 have defaulted on federal loan repayment. This equates out to a 1.5 percent cohort default rate. The most recent available national average cohort default rate is 11.3 percent. To God be the glory for this Christian witness.

Use of MLC unrestricted funds

As of June 30, 2016, the unrestricted fund balance at MLC totaled \$6,520,538. The MLC Governing Board has designated a large portion of these toward specific needs at MLC as follows:

Fund	Amount	Description
Economic Sustainability Fund (ESF)	\$ 2,741,296	Board designated funds to be spent at the approval of the MLC Governing Board. In particular, funding has been set aside to offset deficit spending during the current biennium as well as address the Higher Learning Commission directives. The goal of this fund is to reach 25 percent of the MLC operating budget or approximately \$5 million.
Scholarship fund	\$ 2,785,860	Amounts designated for scholarships are the equivalent of two years of MLC's internal funding for student scholarships. Should there be an economic downturn or change in eligibility for the federal financial aid program, these funds will provide MLC time to react without necessarily reducing student assistance.
Program maintenance	\$ 100,000	The MLC campus has great need for many facility improvements, many of which have a cost that exceeds what the operating budget can support. This funding is established to build a reserve to address larger projects or emergency needs that may arise on campus.
Operating and other	\$ 893,382	This funding represents net assets that have been designated for other operating functions such as the library, financing costs, etc.

Our current financial situation

MLC anticipates ending the 2017 fiscal year with a substantial deficit of about \$430,000, which is significantly better than the modified plan deficit of \$963,000. Better than planned satisfaction of restrictions coupled with lower anticipated expenditures account for the difference.

MLC's plan for the next biennium includes significant deficit spending totaling about \$1.4 million for the biennium. MLC is grateful for the additional WELS subsidy support to be received during the 2018–19 biennium. The college does not take lightly the planned spending of \$1.4 million of reserves during the next biennium. MLC will continue to pursue higher enrollment to meet the need for more candidates to serve growing vacancies within WELS' ministries. MLC will also focus on expanding the Mission Advancement efforts, especially in the area of financial assistance for students. In order to attract, retain, and educate those candidates, MLC needs to continue to refresh programs, people, and facilities. Although the ministry plan for the biennium is not perfect, it reflects MLC's best efforts at a balance between fiscal responsibility and the needs of the church.

MLC has completed a staffing needs analysis that will govern the staffing levels for the 2017–19 biennium. Although many staffing needs have been identified, only essential positions have been incorporated into the biennium plan due to budgetary constraints.

Over the past year, MLC has participated in the WELS Capital Projects Committee. Through this work, immediate capital needs as well as long-range needs have been identified. MLC is able to fund a portion of the facility repairs and improvements through the normal budget process. A capital campaign is being developed to bridge the gap between campus needs and current funding levels.

Emergency and programmed maintenance updates

During this school year the campus is dealing with several major unanticipated maintenance emergencies. The cafeteria air conditioning failed during the past summer. A unit was rented for a couple months at the start of the school year. Plans are to install a new unit that will have the capacity to handle the kitchen, the cafeteria, and the upper lobby of the Luther Student Center.

A second trouble spot is the system in the Luther Student Center that provides steam-generated hot water for the kitchen, restrooms, and locker rooms. It is a system that delivers hot water at various temperatures ranging from 120-180 degrees depending on its use and the applicable code requirements (e.g. dishwashing needs in the cafeteria).

Correction of this emergency began during the Christmas break and was completed this past spring.

The price tag for these two emergencies is about \$400,000. It will be covered by \$100,000 in emergency maintenance funds designated by the board last September. Another source will be \$135,000 budgeted for general HVAC upgrades in fiscal year 2018. The remainder will be funded through the deferral of several other projects planned for the near future. (Those deferrals include an annual allocation of \$75,000 for the auditorium renovation project, and elimination of \$20,000 for general tuck pointing/window caulking for one year and a portion of the funding for classroom furniture replacement/renovation.)

A planned program maintenance item is the replacement of the library roof scheduled for this summer. The original replacement bid of \$225,000 was several years old. A new bid has come in at \$170,000. Though there are several factors, the primary reason for the reduction is that we will have the work done early this spring rather than during the summer, thus avoiding the peak demand months. We are grateful for the opportunity.

God's gifts through Mission Advancement

The Office of Mission Advancement is responsible for overall development, public and community relations, alumni relations, and advancement efforts at MLC.

The Vice President for Mission Advancement oversees the:

- data management specialist, who creates and proposes mission advancement strategies for support of the MLC mission according to principles of biblical stewardship;
- director of alumni relations, who coordinates all activities of the DMLC/MLC/NWC alumni.
- director of public relations, who supports Martin Luther College by working to communicate its mission, purpose, achievements, needs, and strategic goals to the Wisconsin Evangelical Lutheran Synod as well as the local and global community.
- event coordinator, who helps to plan and carry out approximately 150 events each year that promote MLC's mission and promote hospitality on campus for visitors, students, faculty, and staff.
- writer/editor, who supports the Mission Advancement office by planning, writing, editing, and coordinating the production of various print and digital publications at MLC.
- resource development counselor, who focuses on donor relations and grant writing.

Although it is difficult to quantify all of the blessings that MLC receives through the efforts of the Office of Mission Advancement, as of Jan. 31, 2017, we have received \$1,106,280 in gifts, which represents 60 percent of our FY 2016–17 goal of \$1,857,900. Those gifts were received from 1,289 donors. We have conducted 168 face-to-face visits in Alaska, Arizona, Florida, Georgia, Indiana, Minnesota, North Dakota, Nebraska, New York, South Dakota, Texas, and Wisconsin. The MLC President and the MLC Vice President for Mission Advancement have also conducted 22 MLC Sundays during that same time.

We are also pleased to report that in FY 2015–16 the percentage of MLC's operating costs supported by donations, scholarships, and grants was 18 percent. Subsidy from WELS provided an additional 18 percent in support. This led to MLC being ranked among the top "best bang for the buck" colleges in the U.S. We offer our sincere thanks to those who have given so generously to make this happen.

Another significant factor in helping to ease the burden on students can be seen in the number of endowed and annual scholarships established in this biennium. We joyfully report that 22 scholarships (9 annual and 13 endowed) have been established since July 1, 2014.

A look ahead

Recruitment

As this report is being written, there are 103 pastoral vacancies in the synod. The current four-year enrollment at our seminary is 111. Will we as a synod be able to maintain 8 mission openings each year as we have done in the last four years? What about Baby Boomer pastor retirements? Currently, the Commission on Lutheran Schools is creating call lists for 130 teaching vacancies. This year about 80-85 teaching candidates (who are able to go anywhere) will be available. What about Baby Boomer teacher retirements? What about the need for teachers in the South Atlantic District, a number that could reach 100 teachers over the next four years if the Lord allows current plans to unfold? What about the impact of school choice in various states? What about the reality that this year only seven students elected to do a year of service overseas in our Daylight International efforts, when only four years earlier 20 went? Please join us in prayer, and help us recruit with a "field is ripe" mentality, not just a "fill the vacancy" mentality.

Our admissions department is aggressively pursuing ways to reach more students and present the privilege of gospel ministry as a lifelong vocation. Through increased efforts in identifying public school graduates in our churches, enhanced Focus on Ministry weekends, and MLC Sunday presentations, we pray that the Good Shepherd bring more students to meet the growing need.

Congregational Partnership Grant Program

The current school year, 2016–17, is the pilot effort of the Congregational Partnership Grant Program. This program is designed to encourage congregations to increase their financial support of their “sons and daughters” preparing for public ministry. MLC joyfully matches whatever funds congregations apply to their students’ accounts up to \$1,000 per student. The initial effort only applied to those students enrolling at MLC as traditional freshmen. More than 100 students applied, and more than \$87,000 was provided by the college to “fund the match” for these students.

Now, looking ahead to the next school year, the college is striving to raise funds to increase the program so that incoming freshmen and sophomores can apply for this program. Again, the college will match whatever funds the congregations send to support their students, up to \$1,000. Recognizing the immediate impact this program has in limiting the amount of loans needed, we prayerfully commit this effort to the Lord who is abundant in blessing.

Congregations throughout the synod that do not have a student currently enrolled in the program have been contacted to consider a door offering to help MLC “fund the match” for this enlarged program. Already, more than \$50,000 has been raised toward our goal of \$150,000. Our annual “MLC Day” is the first Wednesday of May. This social media event seeks to highlight the ministry of MLC and share with others the great things the Lord Jesus is doing on our campus. The giving component of this day was designated for the Congregational Partnership Grant Program. A donor committed \$50,000 to match dollar for dollar all gifts that come in on that day to help the college “fund the match” for our freshmen and sophomore students. We are grateful to Jesus for raising up so many Christians who are moved by the Spirit to support our students as they prepare for gospel service.

Accreditation

Preparations continue for MLC’s onsite accreditation visit by the Higher Learning Commission, now officially scheduled for Sept. 10-11, 2018. The most recent set of on-campus preparation meetings occurred in October 2016 and January 2017. The October meeting outlined deficiencies identified in the 21 sub-component categories. Committee members were assigned to outline a plan to address the deficiencies between now and the end of the 2017–18 school year. January meetings were conducted by Assurance Argument Committee Chairmen, Dr. John Meyer and Dr. Jeff Wiechman, in order to meet one-on-one with committee members who in turn shared their plans for the implementation of needed improvements. An April 2017 meeting was conducted with the full committee in order to share evidence they’ll use to support their argument toward assigned sub-components. A summer 2017 meeting will prepare team members to begin writing the first draft of these arguments.

A second component of the accreditation process is the final report on the MLC “Quality Initiative” project conducted in the last three to four years of the 10-year accreditation cycle. MLC’s self-chosen and Higher Learning Commission-approved initiative revolves around the theme of “Enhancing the Retention of Underrepresented Student Populations.” MLC’s study committee broke down their analysis and recommendations into four main areas: 1) provisionally accepted students and students on probation, 2) non-traditional (older/married/second career) students, 3) international students, and 4) minority students. Efforts and recommendations have been ongoing in this area and include the creation of an International Services Office as well as suggestions to expand the current Academic Success Center and create a Cultural Diversity Office.

Accreditation with the Higher Learning Commission is a distinct blessing for the college. Among other things, it provides academic credibility so that our students can easily transfer to another college if they change vocational plans, and it provides access to federal financial assistance funds for our students.

Strategic plan

This past February, at its scheduled meeting, the MLC Governing Board adopted MLC’s latest strategic plan. It is entitled “Equipped to Do God’s Will.” Under God and with his blessing, this planning document, though dynamic, will nevertheless provide direction for the college over the next 6 or 7 years. The strategic plan has 5 overarching goals, with 27 distinct initiatives under the goals. Each initiative then has a specific action plan that outlines the person responsible, the resources needed, the timeline, and an assessment tool. To provide the delegates a glimpse of the plan, below are the five overarching goals with their respective focus statements.

Goal one: Students

Rejoicing that God works in us, we are

- Equipped to nurture the learning experience of our students, God's gifts to the church.
- Focus: Expand the breadth and depth of the MLC student learning experience.

(This goal has eight initiatives.)

Goal two: Service

Rejoicing that God works in us, we are

- Equipped to sustain and grow God's gifts of partnerships in the Great Commission.
- Focus: Nurture diverse opportunities to further the teaching and preaching ministries in our fellowship.

(This goal has four initiatives.)

Goal three: Environment

Rejoicing that God works in us, we are

- Equipped to use God's gifts to enhance the learning and living environment.
- Focus: Provide quality facilities and implement best practice analytics.

(This goal has five initiatives.)

Goal four: Staffing

Rejoicing that God works in us, we are

- Equipped to empower our MLC personnel, God's gifts to this ministry.
- Focus: Provide sufficient staffing and professional development in an environment of clear communication and collaboration.

(This goal has five initiatives.)

Goal five: Support

Rejoicing that God works in us, we are

- Equipped to acknowledge God's gifts to this ministry from our constituents.
- Focus: Nurture support by showing transparency, gratitude, and impact.

(This goal has five initiatives.)

For individuals interested in reading the entire strategic plan, please visit mlc-wels.edu/strategic-plan.

Facilities and capital campaign

Last year the college reported to the districts that a master site plan for MLC was completed at the direction of the WELS Capital Projects Committee. Now the synod's Capital Projects Committee has this paragraph included in its report for BORAM:

"Looking beyond the 2017–19 biennium, MLC's master site plan includes a major expansion of the campus, plus infrastructure projects. The expansion includes additional dormitory space and athletic practices and competition facilities. The infrastructure projects include the replacement of the HVAC systems and the addition of central AC to the dorms and classrooms."

MLC, as a synod owned college, naturally works with the synod as we move forward in the planning of a major capital campaign that would coincide with the 25th anniversary of Martin Luther College. Working together with the Ministry of Christian Giving, the campaign would occur in the school years of 2019–20 and 2020–21. In the intervening years before that biennium, MLC will be preparing with careful planning and prioritization. MLC has engaged a professional firm to conduct a feasibility study to examine the scope of any campaign. This firm will present its findings to the MLC governing board meeting scheduled for February, 2018. The governing board will also seek input from the Board for Ministerial Education, and the synodical council, as it considers prioritization of proposed facilities and improvements and seeks authorization for project approvals. The Conference of Presidents will be involved as it determines funding options for any approved capital projects to be presented to the synod convention of 2019.

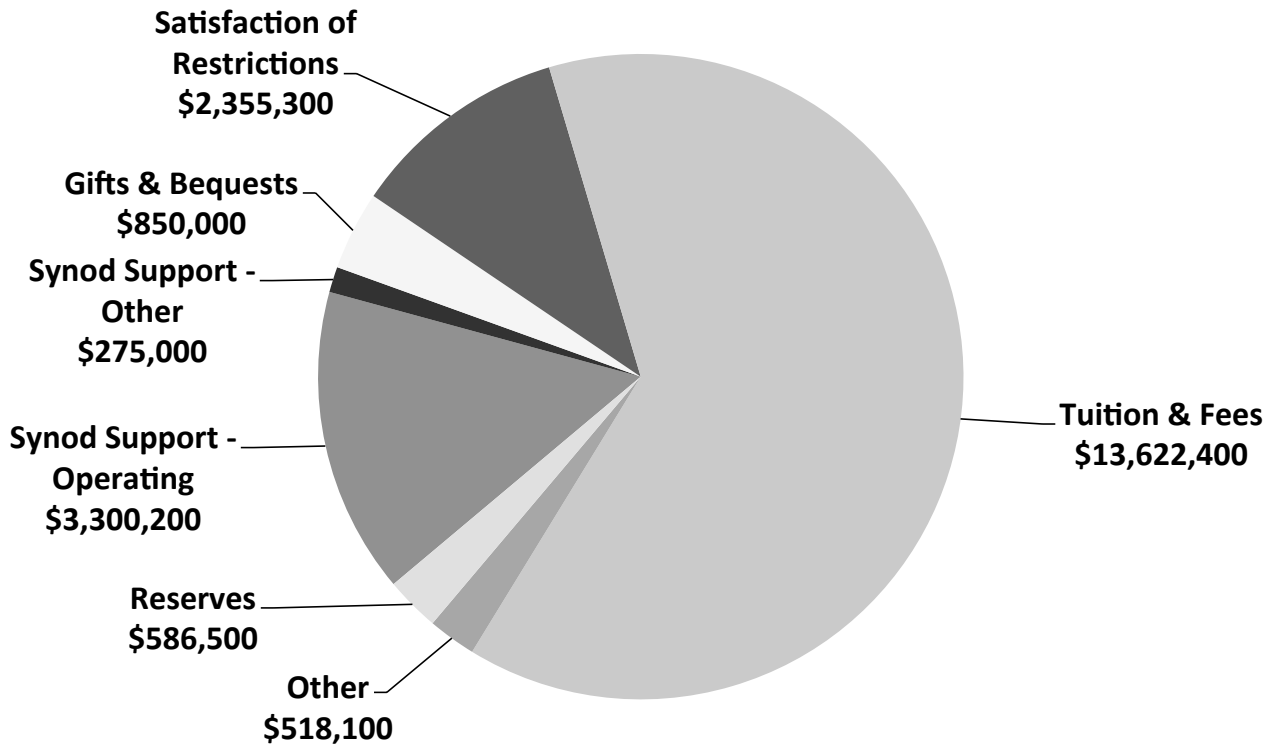
Pres. Mark Zarling, reporter

Rev. Michael Woldt, chairman
Rev. Jonathan Kolander, vice chairman
Teacher Steven Rosenbaum, secretary
Teacher Joe Archer
Mr. Dale Krause
Rev. Michael Lindemann
Mr. Timothy Petermann
Mr. Barry Price
Rev. Duane Schmeichel
Rev. Michael Seifert
Teacher David Uhlhorn
Mr. Michael Valleau
Teacher Steven Vasold
Rev. Mark Wessel

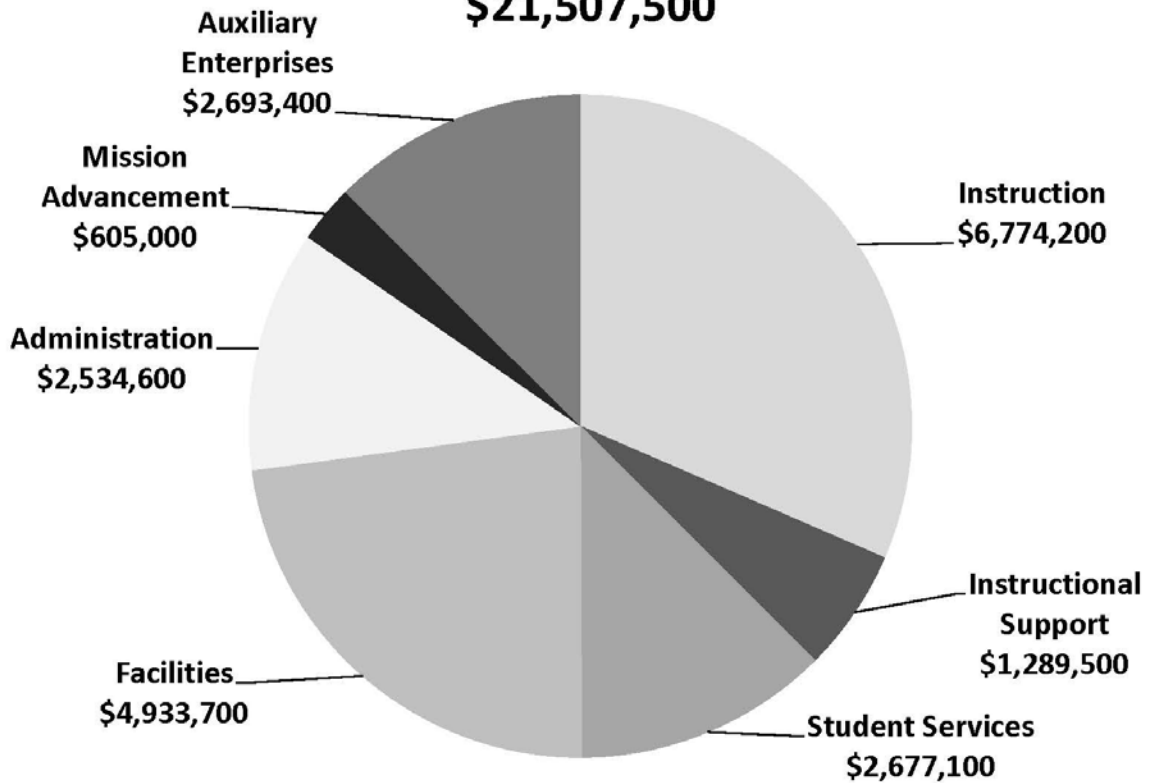
Advisory:

Rev. Charles Degner, president of the Minnesota District
Mr. Randy Matter, board appointed advisory member
Rev. Paul Prange, administrator of the WELS Board for Ministerial Education
Rev. Mark Schroeder, WELS president
Pres. Mark Zarling, Martin Luther College

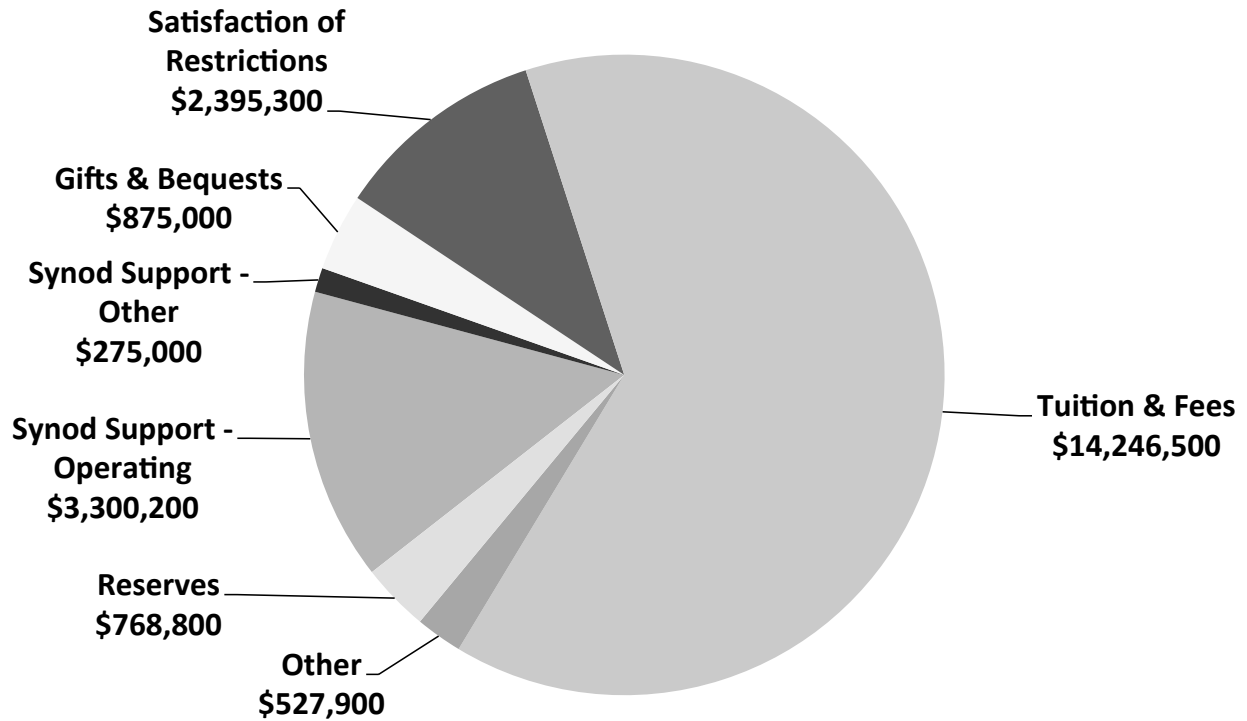
FY 2017-18 Support **Martin Luther College** **\$21,507,500**



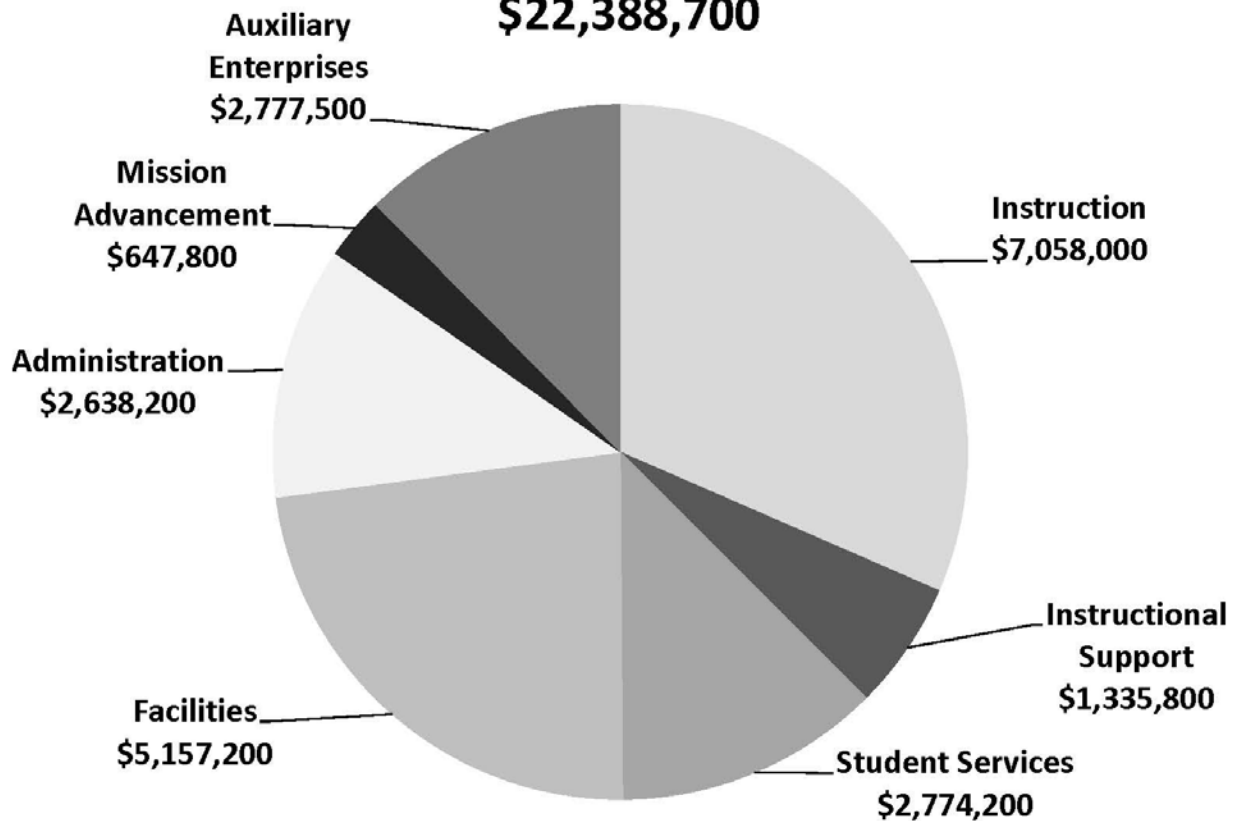
FY 2017-18 Expenses **Martin Luther College** **\$21,507,500**



**FY 2018-19 Support
Martin Luther College
\$22,388,700**



**FY 2018-19 Expenses
Martin Luther College
\$22,388,700**



Luther Preparatory School

Floor Committee #11

Our calling

Luther Preparatory School (LPS), Watertown, Wis., has a single mission: To encourage and prepare high school students for service in the public ministry of the Wisconsin Evangelical Lutheran Synod. That mission is central to everything we do—in the classroom, in co-curricular activities, in our worship services, and in the personal guidance given to every student.

LPS is owned and operated by WELS. The synod has given LPS the privilege and responsibility to carry out this important work. The LPS Governing Board, faculty, and staff are grateful to our church body, which supports the work of LPS with its prayers and gifts.

That LPS fulfills its purpose is seen by the fact that since its beginning in 1995, 55 percent of all Luther Prep graduates have enrolled at Martin Luther College (MLC). Last year 60 percent of LPS graduates enrolled at MLC—41 students entered the teacher track and 24 students entered the pastor track. Historically LPS graduates have comprised 35+ percent of traditional Wisconsin Lutheran Seminary (WLS) graduates. God graciously blesses the work done at LPS, which in turn benefits our synod and our calling in Christ's Church.

Luther Prep depends on three sources of funding to carry out its calling: 1) synod support; 2) payments for tuition, room, and board; and 3) special gifts from congregations, groups, and individuals. We are grateful for the gospel's work of prompting such generosity and thankful hearts in God's people.

Our current situation

Enrollment

Enrollment has remained stable over the past six years. LPS opened school year 2016–17 with an enrollment of 429. Our students come from 29 states, 9 foreign countries, 193 congregations, and all 12 WELS districts. More than two-thirds of our students come from lay families. Ninety percent of LPS students reside in the dormitories.

Recruitment to LPS, with an eye on future full-time gospel ministry, remains a top priority. We always invite and welcome all WELS upper-grade students to visit our campus, “shadow” a Prep student, and spend a night in one of the dormitories to get a feel for Prep life. We host annual recruitment events such as WELS area and national co-ed basketball tournaments, Phoenix for a Day, the fall play, children's theater, and the musical, as well as numerous summer athletic camps. Each year these events bring 4,500 WELS grade school students from across the country to our campus.

Preparing for the mission

The Word is central in all we do. Chapel services are held twice daily. All classes are taught from a scriptural perspective, and students are encouraged in their personal devotional lives. The Holy Spirit works through the means of grace to encourage and prepare our young people for lives of gospel ministry and service.

The LPS curriculum is designed to prepare students to meet or exceed the requirements of MLC. LPS recognizes the need and desire for future musicians in our Lutheran congregations and classrooms. More than 95 percent of our students take piano lessons. The LPS organ program produces the most organ students for MLC. Many students are involved in the Jazz Band and string, brass, and wind ensembles. All students take at least one year of Latin and three consecutive years of a foreign language in order to thoroughly prepare them for future language studies, especially those in the biblical languages.

Because our purpose is to prepare future pastors and teachers, LPS offers age-appropriate ministry experiences to its students. All of our seniors take part in our Taste of Ministry program, in which prospective pastor students spend two days with an area WELS pastor, and our prospective teacher students spend two days in a classroom with an area elementary school teacher. Project Timothy is a program designed to provide mission, ministry, and cross-cultural experiences to LPS students. Approximately 50 students will assist with outreach and education programs of mission

congregations in St. Lucia, Antigua, California, Virginia, Georgia, Texas, and Canada. Also, senior boys are given the opportunity to prepare and speak an evening devotion to the student body.

Each year the entire junior class visits Martin Luther College. By the time our students graduate, each one will have met at least four times with an MLC recruiter. An array of missionaries, professors, teachers, pastors, and MLC and WLS students present topical ministry workshops at our annual Ministry Day. The entire student body takes part in Ministry Day. Sophomores also take an annual trip to the seminary, and seniors in the LPS pastor track visit the seminary each fall for worship, class visitation, and a tour.

In this last biennium Luther Prep was able to refurbish its well-worn 57-year-old chapel. WELS Ministry of Christian Giving partnered with LPS to gather gifts for the project in conjunction with the 150th anniversary of ministerial education on the synod's Watertown campus. Through the gospel-motivated generosity of WELS people, gifts were given that covered the entire costs of the refurbishment. LPS is most grateful because the Word proclaimed in chapel remains the heartbeat of our campus life. The Holy Spirit's works of strengthening faith and ministry recruitment occur daily.

God's people also provided gifts this past biennium that allowed LPS to refurbish and enhance its 54-year-old pipe organ. The organ was dedicated last November to the glory of God in thankfulness for the faithful service of sainted Prof. Franklin Zabell and Mrs. Bethel Zabell, who has taught hundreds of WELS organists and continues to teach future WELS organists.

Two years ago LPS began to fully integrate a 1:1 initiative to create a technology-rich environment for both teaching and learning. Every LPS student is equipped with a Chromebook for use in class and in the dormitory using the wireless secure student network. This has allowed LPS faculty to have additional options for presentation of information in classes along with access to current information in the classroom. Our students learn to use these tools, which they in turn will utilize in their future classrooms and congregations.

After 45 years of service in ministry—29 of those years at a synod prep school—Prof. Roger Kobleske has announced his retirement. We thank God for his faithful service.

A look ahead

Parental Choice Programs in Wisconsin

The State of Wisconsin offers three Parental Choice Programs for Wisconsin residents: Milwaukee Parental Choice Program, Racine Parental Choice Program, and Wisconsin Parental Choice Program. In these programs parents, who fall under a designated family-size-based income threshold, receive a voucher from the State of Wisconsin that pays the tuition costs of education for their children at participating private and religious schools.

In early 2015 the LPS Governing Board undertook a study of the Parental Choice Programs. In the 2016 *Report to the Twelve Districts*, the LPS Governing Board noted that it was exploring the Parental Choice Programs, being ever mindful of the integrity and mission of LPS.

At its September 2016 meeting, the governing board voted to proceed cautiously with the three parental choice programs in Wisconsin for the 2017–18 school year. The governing board opened up 15 seats for the Milwaukee Parental Choice Program, 10 seats for the Racine Parental Choice Program, and 25 seats for the Wisconsin Parental Choice Program. The LPS Governing Board made this decision in order to offer more WELS students the opportunity to enroll at LPS for encouragement toward and preparation for future service as pastors, teachers, and staff ministers.

As of this writing all 13 applications from the Milwaukee Parental Choice Program and all 13 from the Wisconsin Parental Choice Program are WELS students. No applications have been received for the Racine Parental Choice Program. The governing board will annually evaluate Luther Prep's participation in these programs.

Aging music auditorium

Music is an integral component of our heritage, the Church, and Lutheran worship. The Lord has blessed LPS with an excellent music program and numerous musically-gifted students, all preparing for service in the Church. The LPS music auditorium, built during the President William Howard Taft administration, is 105 years old. The LPS Governing Board has addressed the potential construction of a new auditorium. Should a new auditorium be built, the present auditorium would be repurposed to its original use and serve as a secondary gymnasium to accommodate our freshmen and plethora of intramural teams, as well as functioning in other capacities.

Topics that are top of mind as we go forward

Capital Projects Committee recommendations

The synod's Watertown campus is well maintained. Our buildings have an average age of 65 years each. Repairs and replacement for roofs, windows, flooring, fixtures, heating, etc. remain ongoing. We ask God's blessings upon the work of the synod's Capital Projects Committee as it addresses the maintenance needs at the synod campuses.

Prayers for more harvest workers

Jesus said, "The harvest is plentiful, but the workers are few. Ask the Lord of the harvest, therefore, to send out workers into his harvest field" (Luke 10:2). The saints have been praying that prayer for the past two millennia. With the number of young men at WLS and the number of young men in the pastor track at MLC being the fewest on those campuses since the late 1950s and early 1960s, with the number of vacancies in ministry in WELS on the rise, and with our desire to establish even more home and world missions, the Lord's invitation to prayer becomes even more compelling. We pray fervently that the Lord will move the hearts of parents to offer their sons and daughters for gospel ministry, and that young people will consider the high calling of gospel ministry.

Pres. Matthew Crass, reporter

Rev. Kenneth Brokmeier, chairman

Rev. Timothy Spaude, vice chairman

Dr. John Meyer, secretary

Teacher Adam Glodowski

Rev. Stephen Hein

Mr. Martin Madson

Mr. Joel Scott

Rev. Kevin Westra

Advisory:

Pres. Matthew Crass, Luther Preparatory School

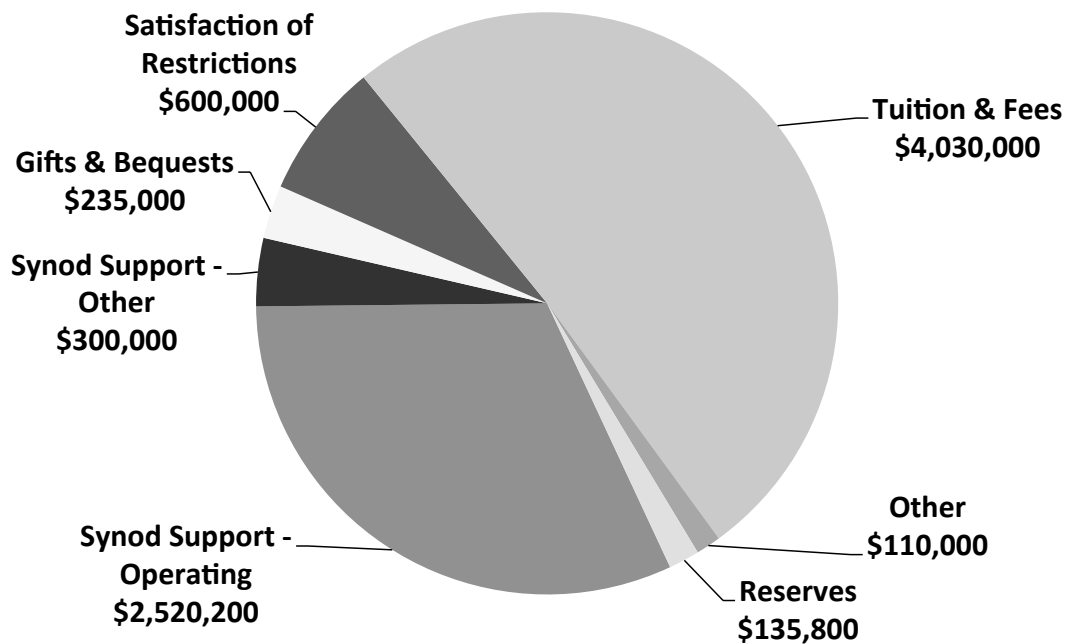
Rev. Michael Jensen, president of the Western Wisconsin District

Rev. Paul Prange, administrator of WELS Board for Ministerial Education

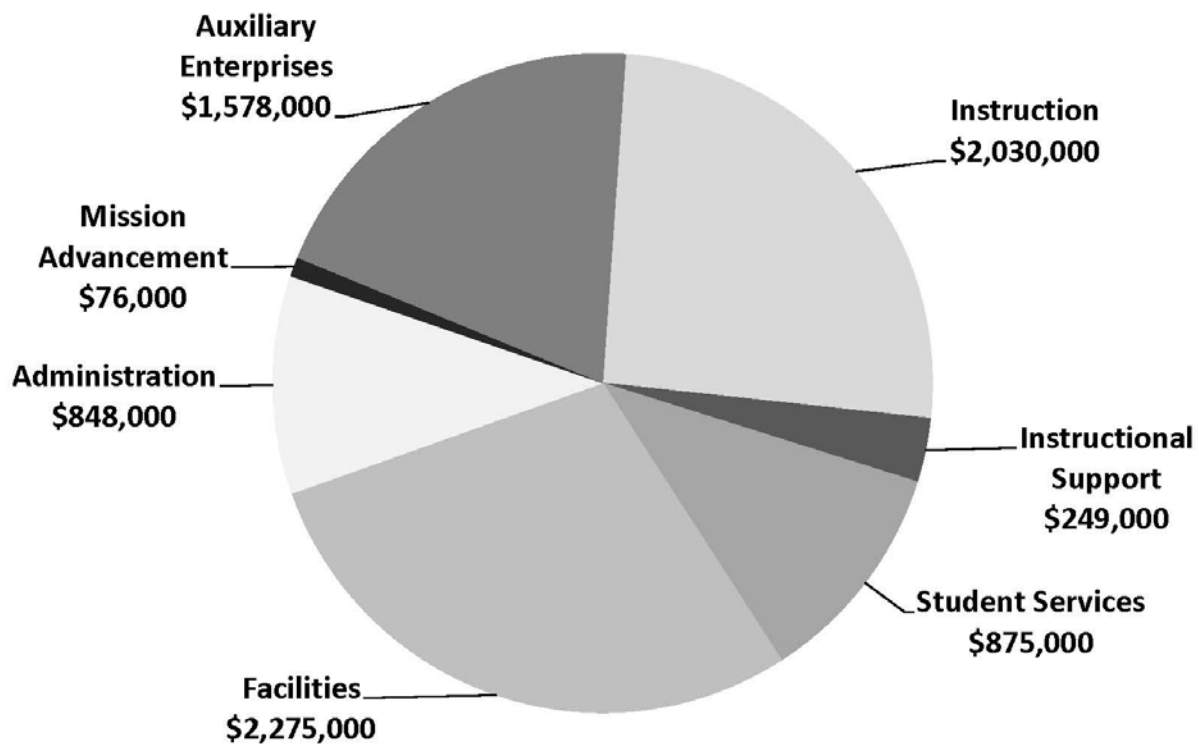
Rev. Duane Rodewald, chairman of WELS Board for Ministerial Education

Rev. Mark Schroeder, WELS president

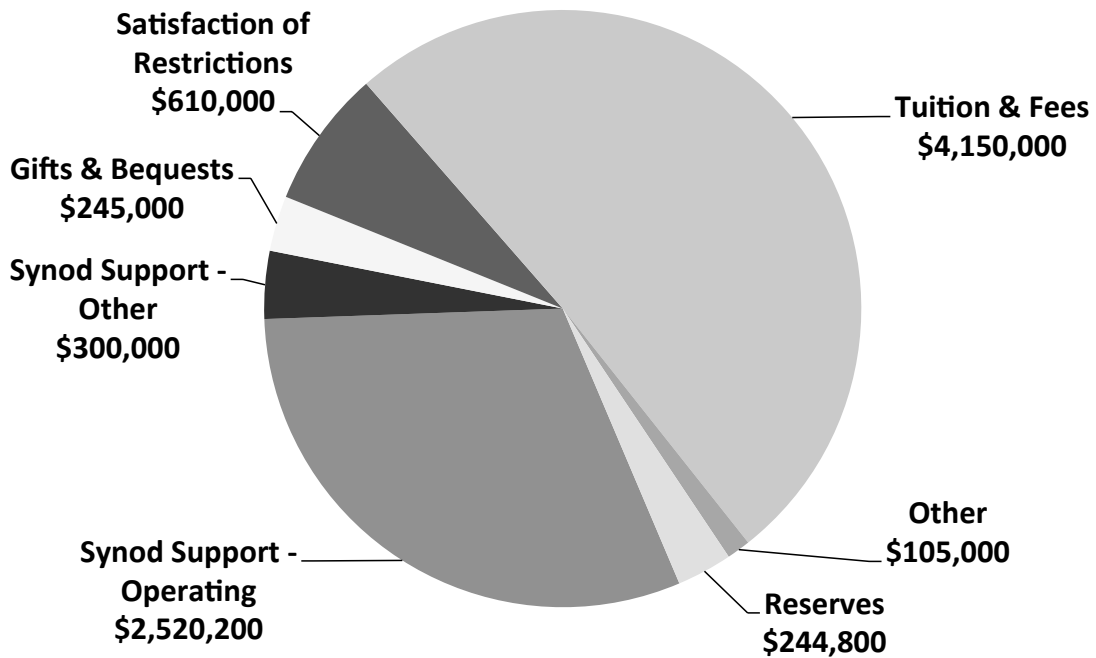
**FY 2017-18 Support
Luther Preparatory School
\$7,931,000**



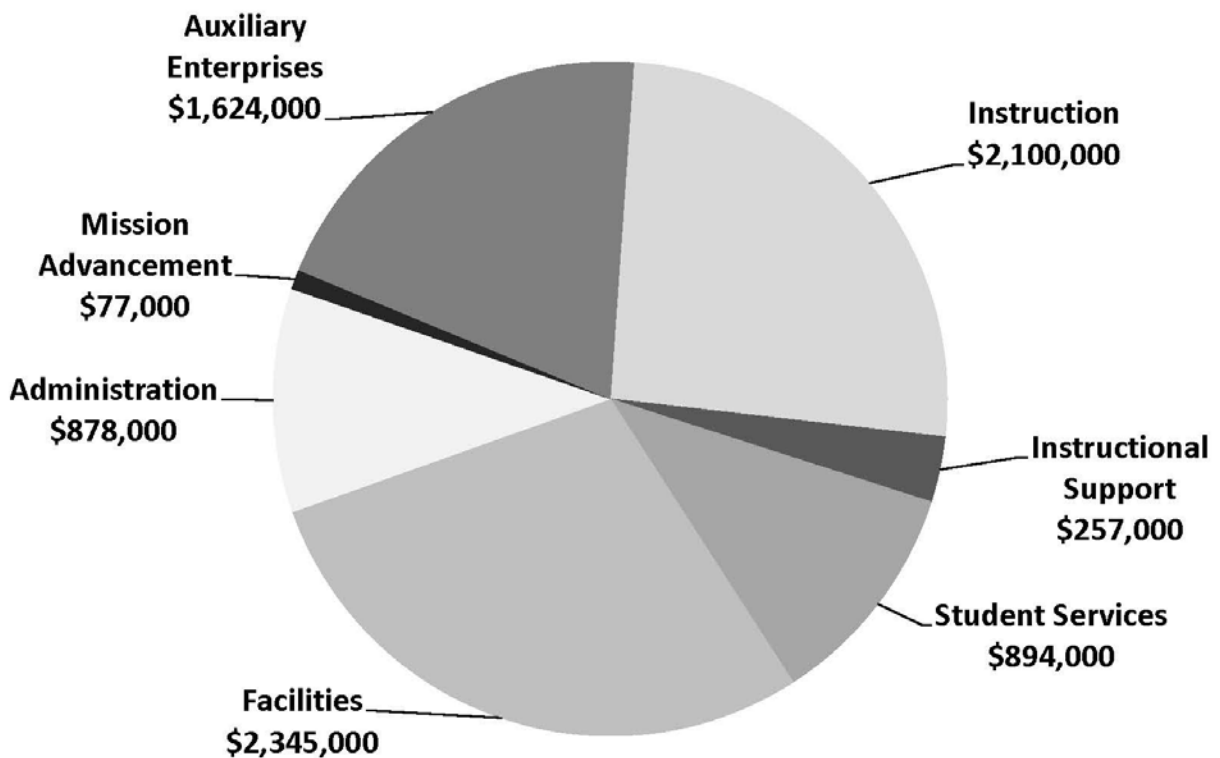
**FY 2017-18 Expenses
Luther Preparatory School
\$7,931,000**



**FY 2018-19 Support
Luther Preparatory School
\$8,175,000**



**FY 2018-19 Expenses
Luther Preparatory School
\$8,175,000**



Michigan Lutheran Seminary

Floor Committee #11

Our calling

Michigan Lutheran Seminary (MLS), Saginaw, Mich., serves WELS as part of its three-tier, four-school ministerial education system. MLS serves as one of two schools at the high school level forming the first tier of training future ministers of the gospel. As students are trained, MLS encourages them to continue their preparation upon graduation at Martin Luther College (MLC), New Ulm, Minn.

MLS also enrolls international students as a partner with the Board for World Missions. In this role MLS offers training to young international boys and girls who are connected in some way with our mission work throughout the world. The goal is that they might serve as possible future gospel ministers in the public preaching or teaching ministry or as dedicated lay members of growing foreign mission fields.

God's blessing on our mission is seen in the fact that this current year about 50 percent of our students will continue their training for the public ministry at MLC. We also have 18 international students currently enrolled. Of those 18, five are seniors and three of the seniors intend to enroll at MLC.

Our current situation

Enrollment

MLS began the 2016–17 school year with an enrollment of 218. This represents a growth of about 18 students over the 200 we had the previous year. At the time of this writing, MLS has received 43 applications for the 2017–18 school year. Our recruitment department anticipates about 20 more applications, which would suggest a possible class size for freshmen next year between 50 and 55. With our current senior class (52) graduating in May, it is likely our enrollment will remain about the same next year. Low enrollments in many of the grade schools from which we draw students continues to be a challenge. There is some indication that the lower grades in the area grade schools have more students. Our recruitment efforts among the younger students will begin to bear fruit in future years. We have also stepped up our recruitment in outlying districts with the hopes of enrolling more students from elsewhere in WELS. For the past three years, one of our tutors has shared the recruitment duties with our full-time staff member. A new program, called "Cardinal for a Day," brought more than 260 students grades K-8 to our campus for a day of lessons taught by MLS students, fun, games, and food. Below is a breakdown of our 2016–17 opening enrollment.

Grade level	Boys	Girls	Total
9	31	32	63
10	20	34	54
11	32	17	49
12	21	31	52
TOTAL	104	114	218

Dorm students: 134 (62%)

Commuting students: 84 (38%)

International students: 18

Districts represented: 6 of 12

States represented: 13

From Michigan: 174 (80%)

Faculty: 27

Staff: 28

The 18 international students represent five foreign countries including Canada, South Korea (from Canaan Lutheran Academy), China (connected with Friends of China), Hong Kong (SALEM), and Indonesia. The MLS Governing Board has encouraged MLS to continue to actively seek out students in many foreign countries who meet our criteria for WELS affiliation and who would benefit from our program. We have recently received inquiries from Vietnam, Saudi Arabia, and Taiwan.

Preparing for our mission

Encouragement and preparation for the public ministry occurs on campus, in local congregations, and through field experiences.

All of our students learn God's Great Exchange and how to share their faith with others. All of our students take piano lessons and some go on to organ playing, which is a recognized need in our synod. Seniors are visited regularly by the admissions counselors from Martin Luther College. Sophomores enjoy a special banquet called "Sophomore Night" at which representatives of both Martin Luther College and Wisconsin Lutheran Seminary talk to them about the next levels of training for public ministry and what to expect. Juniors go on "college tour" for a week to see the other three ministerial education schools of our synod. Freshmen attend Ministry Day at which local pastors and teachers share their stories, joys, and challenges of the ministry to get them thinking about whether they too might serve Jesus in this special way. The entire student body participates in an annual Mission Seminar in February that highlights some area of our synod's gospel outreach at home and abroad.

Taste of Ministry is an opportunity for our girls and boys to spend time with an experienced teacher or pastor in the area. Getting into the classroom or seeing what goes on in a pastor's life beyond the pulpit often has a profound effect on our student's ministry decisions.

Project Titus is the name given to MLS's program of early field experience that takes place during the summer months. Each year students have the opportunity to sign up for one or more experiences. This might include canvassing, helping with a vacation Bible school or soccer or music Bible camp, or helping with a summer school program at one of our Lutheran elementary schools. In the recent past students have participated in Project Titus trips to North Carolina, Georgia, Alabama, Virginia, Maryland, and Wisconsin. In addition there were foreign trips to Colombia, China, and Germany. These trips provide not only ministry experiences but also a sensitivity and understanding of other cultures. Some of our students have been traveling to Milwaukee to assist in the urban ministry program there. Many of these Project Titus trips have influenced our students to attend MLC and pursue the public ministry.

A few years ago we added Project Titus-Saginaw to our ministry experiences for our students. This program connects students all year round with ministry opportunities right here in Saginaw. Students have assisted at a pregnancy counseling center, participated in a special needs children's program, helped with Special Olympics, visited at a nursing home, and helped with local outreach events done by the Saginaw WELS churches. We hope that this program will continue to evolve and expand over the coming years.

All of these enable MLS students to make informed, mature, and Spirit-led decisions about full-time service in the public ministry.

Faculty and staff

MLS was staffed this year with 22 full-time professors and five part-time staff positions. Among the part-time positions are three piano teachers, one math teacher, an emergency Spanish teacher from MLC, and a retired professor who is teaching part time.

Prof. Jon Huebner has accepted a call to St. Croix Lutheran High School. Prof. James Wooster has announced his retirement at the end of the 2016-17 school year. This means that the majority of the Math/Science Division at MLS will no longer be at MLS next year. Our biology teacher, Tutor Lauren Maertz, is due to go back to the assignment committee this May as well. So MLS will begin the process of filling three math/science positions for the 2017-18 school year. As of the writing of this report, we are also still calling to fill our Spanish professor position. If we are not able to do that, we may have to consider another emergency teacher for next year.

We give thanks to the Lord for the 42 years of teaching ministry that Prof. James Wooster has completed. Twenty-one of those years were on the MLS campus. During those years he taught many different subjects and was responsible for many extra duties on campus. We are also grateful for the service of Tutors Nathan and Erin Moldenhauer, Justin Eternick, Emily Chandonnet, Josh Schultz, and Lauren Maertz who completed their service during the biennium. Another faithful teacher at MLS, Mrs. Emily Moeller, resigned to follow her husband to Texas at the end of the 2015-16 school year.

During the biennium, MLS also celebrated the 40th anniversary in the teaching ministry of Prof. Leonard Proeber. Proeber serves as choir director, head of the music department, and organ instructor at MLS. He also has been the director of our major drama productions for the past eight years. We praise God for his faithful service.

Another retirement on our campus was by Mrs. Lynda Ortman who served on the janitorial staff at MLS for 15 years. We praise God for her quiet and faithful service. She has been replaced by Mr. Tim Boertman who will serve in both janitorial and maintenance roles.

Facilities

The Lord has provided MLS with excellent facilities through WELS. In connection with our hosting of the synod convention in 2015, MLS was able to do a few renovations to the campus including new tile in our 1950s wing, some new doors, and the recoating of our aging parking lot. With the assistance of the MLS Foundation, we were able to repair a crumbling wall near the entrance to our school and install a new gate to our athletic facilities. We are currently in need of an extensive repair to some of the brickwork on our dormitories. Our dormitory bathrooms and tutor apartments are also in need of renovation. Otherwise our facility is in good repair.

Plans are moving ahead to consolidate offices and shift some meeting spaces around for the administration and faculty. This consolidation effort will also serve to make better use of our support staff and allow us to reduce our staff by one person. The savings from this reduction will allow us to recoup the expense of the consolidation project over a period of five years.

Plans are also beginning to take shape to revitalize our athletic facilities. Aging and unsafe bleachers will need to be replaced; a new press box, concessions area, and bathroom facilities are being considered. Some kind of upgrade to our field and turf will be needed. It is too early to predict how extensive this project may be so it may be done in stages as funds are available. Some or all of the funding may come from the MLS Foundation.

Finances

Due to a lower than expected enrollment in the 2015–16 school year, MLS ended the fiscal year with a fairly large negative balance. Without any reserves at present, MLS is not able to easily weather any fluctuations in enrollment. While every effort continues to be made to keep expenses as low as possible, it appeared that despite an increase of 18 students for the 2016–17 school year, MLS was still going to be running a deficit budget. By God's grace, however, MLS received a gift of a home that was valued at more than \$400,000. Thankfully, the house sold quickly for a very good price and after commissions and fees were subtracted, MLS received an unrestricted, undesignated gift of \$392,000 dollars. This gift not only reduced the negative balance with WELS but may allow MLS to end the 2016–17 fiscal year with some amount of reserves. A few other bequests that recently came in have also helped with our financial situation. Another property sale may in the near future help to establish a reserve fund that will put MLS in a slightly better place for the future.

Two other future plans will also help MLS to stabilize its finances. Beginning in the 2017–18 school year, the MLS Foundation has pledged \$100,000 per year to student financial aid. This will allow MLS to reduce the amount it spends out of its operating budget for student financial aid. In addition, in 2017–18, MLS will be partnering with the Ministry of Christian Giving. During this year, MLS will be the designated focus for gifts as President Petermann makes visits with the Christian giving counselors throughout the synod on behalf of MLS. It is hoped that such gifts will provide funds for capital projects, student financial aid, and to continue to build up our reserves to an appropriate level of sustainability.

Special thanks

MLS gives thanks to the Lord for the faithful service of governing board members Mr. Loren Mathison, Teacher David Carlovsky, and Pastor Marc Von Deylen. Mathison passed away shortly after his term ended on the board. Carlovsky ended his term eligibility after 12 years on the board. Von Deylen was not able to continue his service. The MLS Governing Board welcomes to the board Mr. Brent Diehm, Dr. Jason Lowrey, and Pastor Andrew Retberg as replacements for these faithful servants.

A look ahead

As mentioned above, MLS is looking to make some changes on campus that will both enhance our ability to administer the school as well as to offer better facilities for our students to learn in. Technology and security issues are important goals for the future as we continue to prepare our students for a world that is technology driven but also filled with opportunities for identity theft, online scams, etc. MLS is also working to better arrange our curriculum to provide tracks for our students that will reach learning outcomes that better prepare them for MLC and for other colleges or universities if they do not continue on at MLC. Finally a top priority for the near future will be to once again fill all our staffing positions with full-time staff members who are teaching on campus for more than a year

or two at a time. This will bring continuity to our program and help us to achieve our goals of educating as well as encouraging toward ministry.

Pres. Joel Petermann, reporter

Rev. Greg Gibbons, chairman, Michigan District

Rev. Philip Paustian, vice-chairman, Northern Wisconsin District

Mr. Keith Kriewall, secretary, Pacific Northwest District

Prof. David Bauer, Minnesota District

Mr. Brent Diehm, Western Wisconsin District

Mr. Mark Eubank, Michigan District

Dr. Jason Lowrey, Southeastern Wisconsin District

Rev. Andrew Retberg, South Central District

Advisory:

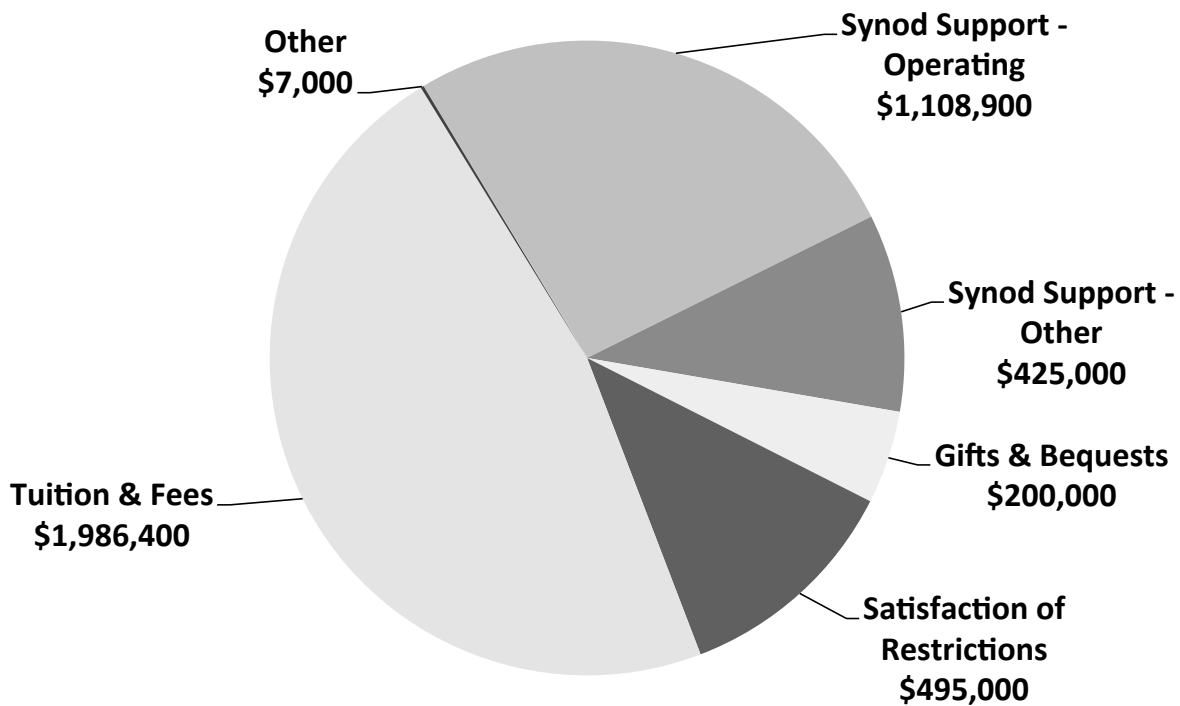
Pres. Joel Petermann, Michigan Lutheran Seminary

Rev. Paul Prange, administrator of WELS Board for Ministerial Education

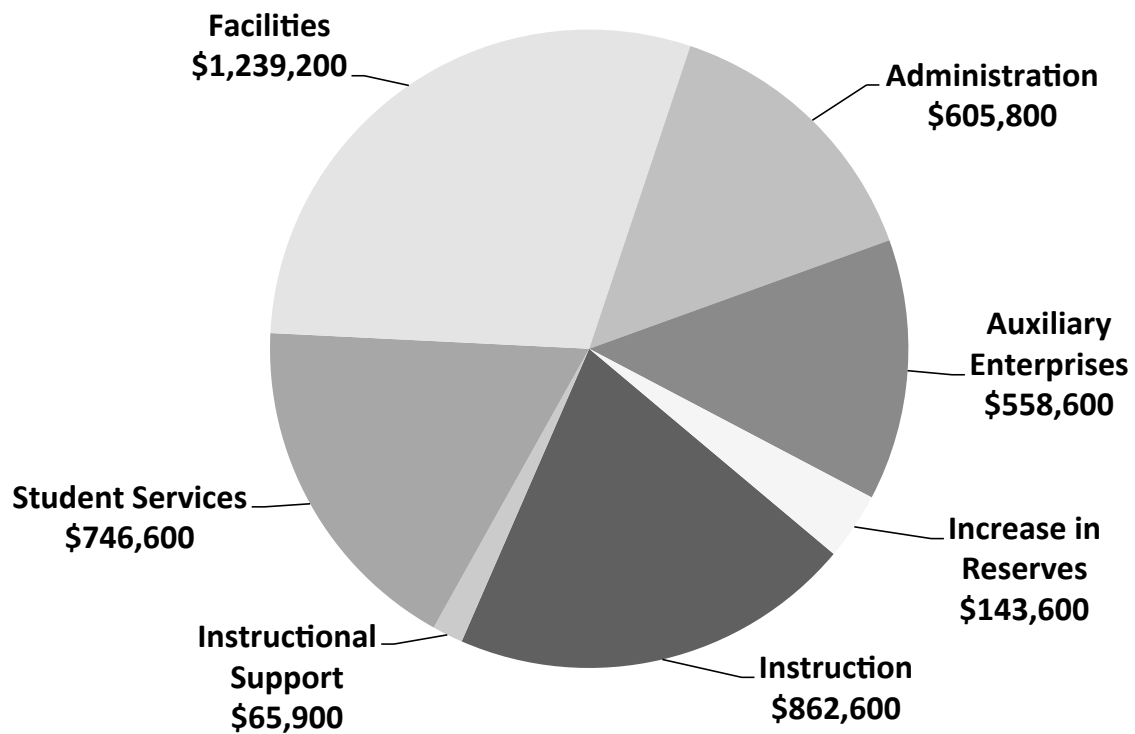
Rev. Mark Schroeder, WELS president

Rev. John Seifert, president of the Michigan District

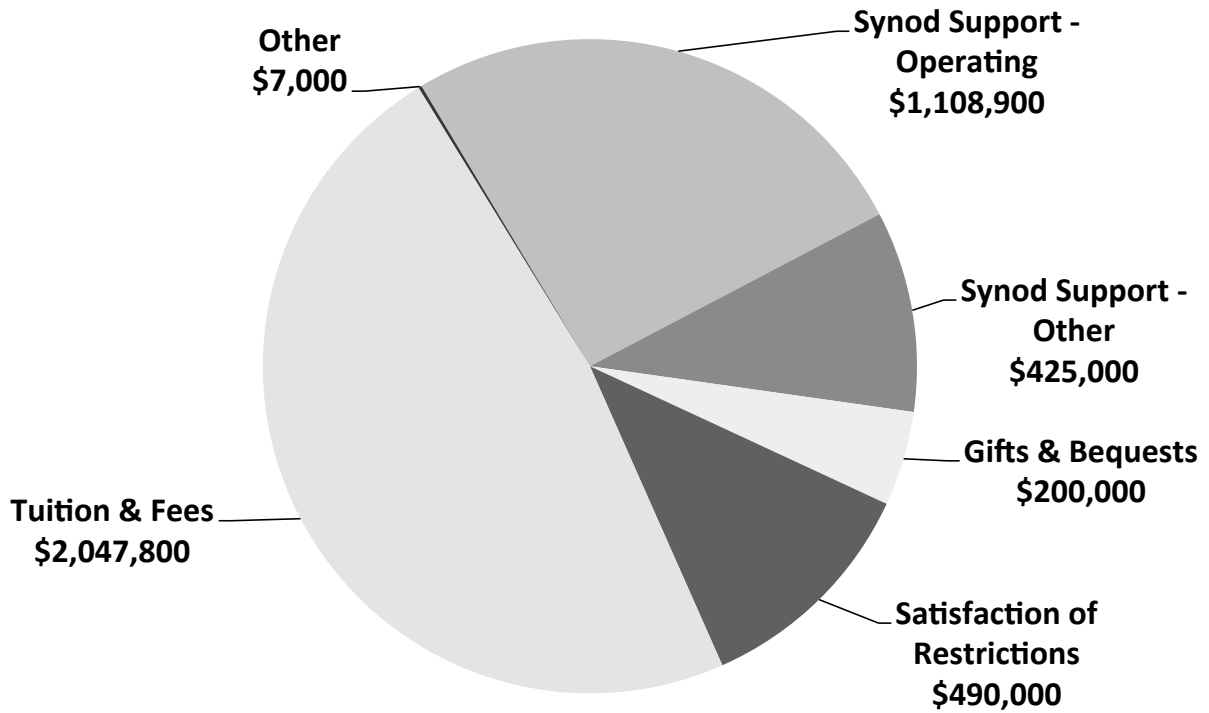
**FY 2017-18 Support
Michigan Lutheran Seminary
\$4,222,300**



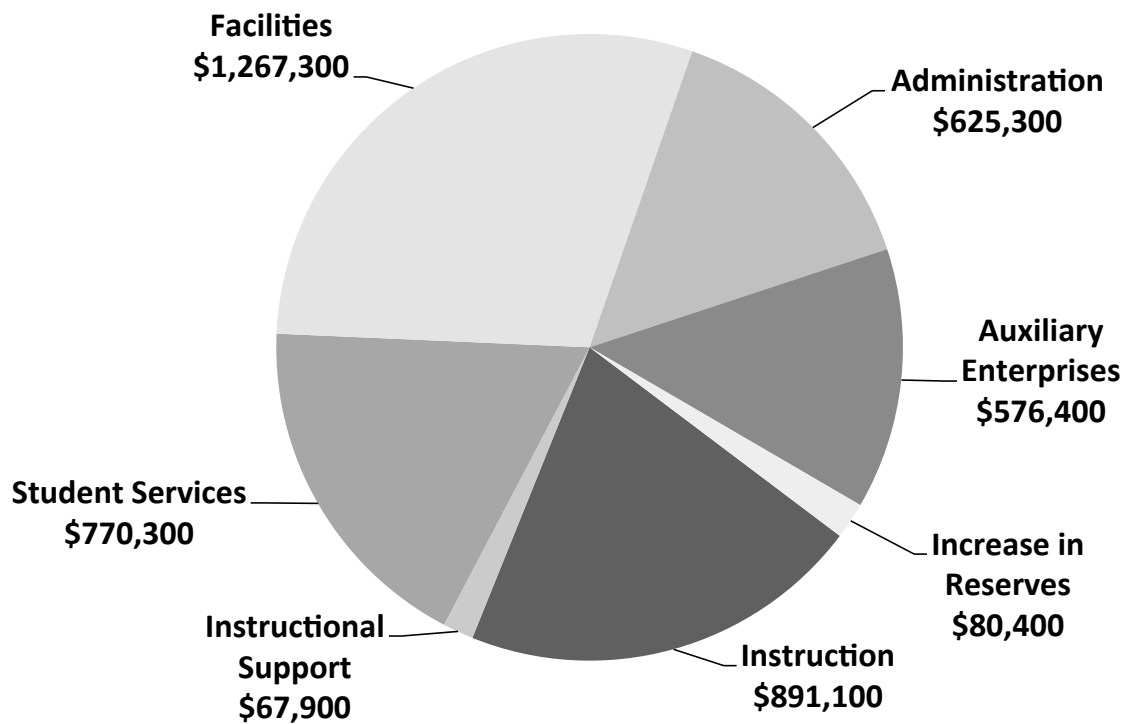
**FY 2017-18 Expenses & Reserve Increase
Michigan Lutheran Seminary
\$4,222,300**



**FY 2018-19 Support
Michigan Lutheran Seminary
\$4,278,700**



**FY 2018-19 Expenses & Reserve Increase
Michigan Lutheran Seminary
\$4,278,700**



Subsidiaries and Benefit Plans

A number of subsidiary groups and one affiliate serve the synod. These entities do not receive support from the synod's operating budget. Each is governed by a board that is accountable to the synod via the Synodical Council.

WELS Historical Institute Floor Committee #16

Our calling

Our calling as WELS Historical Institute is to “preserve and present the story of God’s grace to WELS.” Our calling brings to mind the stone monument God directed Joshua to build when the nation of Israel had crossed the dry riverbed after God had cut off the flow of the Jordan River. Forever after when children asked, “What do these stones mean?” they would hear the account of this special manifestation of God’s grace.

Our current situation

The members of WELS Historical Institute work to provide a lasting witness of how God has worked among us with his blessing as we have proclaimed the message of his grace in Christ. To that end, our work over the last year focused on several projects and events, including:

- Publication of two *WELS Historical Institute Journals* each year (30 to 40 pages each). Each journal contains articles that focus on leaders, institutions, or events used by God to shape the course of Lutheranism and the history and work of WELS.
- Publication of two issues of the newsletter for members each year, which offer information about the work of the Historical Institute.
- On Aug. 5, 2016, the WELS Historical Institute hosted a day-long bus tour of five historic Lutheran churches in the Milwaukee area. The churches that were toured were Salem Lutheran Church (107th and Fond du Lac), Grace Lutheran Church (Broadway and Juneau), Trinity Lutheran Church (Freistadt), St. John’s Lutheran Church (8th St. and Vliet), and Trinity Lutheran Church (9th St. and Highland Avenue). Dr Mark Braun and Dr. Joel Pless guided the tour and provided an explanation of the historical significance of each congregation and church building.
- Since 2010 WELS Historical Institute and Friends of the Landmark Church have hosted presentations during the summer and fall. The presentations this year were once again very well-received. Presentations included the following: “Historic West Granville Cemetery Tour” by James Moeller, “History of Lutheran Hymns” by Carl Nolte, “Birth of the Wisconsin Synod” by Dr. Joel Pless, and “God’s Servant in Two Kingdoms: The Mark Neumann Story” by Dr. Joel Pless.
- Many past presentations offered through WELS Historical Institute are available on DVD. An order form can be found at welshistory.org.
- WELS Historical Institute is excited to work collaboratively with Mrs. Susan Willems, our synod’s new archivist. Volunteers and board members from the institute are assisting in the relocation of our synod’s archives from Wisconsin Lutheran Seminary to the Center for Mission and Ministry. This important work of preserving our synod’s history provides an opportunity to promote the story of God’s grace to WELS.
- Continued restoration of the Landmark Church Museum back to its original 1863 condition.

A look ahead

In 2017 a number of events and presentations are being planned, including another bus tour of historic Lutheran congregations and a livestream presentation describing our synod’s 100th anniversary of our merger, “From

Federation to Final Amalgamation: The Birth of the Wisconsin Synod as We Know It Today” by Prof. John Brenner. Please visit welshistory.org for updates and information on upcoming events.

Our goal to raise the funds necessary to complete the restoration and stenciling of two side walls in the Salem Landmark Church sanctuary is nearly complete. With the final funding obtained, the stenciling will begin in 2017.

The WELS Historical Institute continues to offer tours of the grounds and building of Salem Lutheran Landmark Church and Museum, the site of the constituting convention of the Wisconsin Synod in May 1850. Tours can take up to an hour and are normally conducted between March and November. Special arrangements can be made for out-of-town visitors any time of the year. Individuals, families, congregations, schools, and organizations can arrange a tour by contacting the tour coordinator, Dr. Joel Pless at 414-443-8930 (office), 262-677-2109 (home), or joel.pless@wlc.edu. The institute is actively recruiting new tour guides for the Landmark Church. Individuals giving tours of Salem need to live within convenient driving distance of the church—located on 107th Street and Fond du Lac Avenue on Milwaukee’s northwest side—and need to be readily available for tours during the spring, summer, and fall. Information and training will be provided. If interested and available, contact Pless.

This important work is done entirely by volunteers who wish to help us fulfill our calling to “preserve and present the story of God’s grace to WELS.” WELS Historical Institute is not included in the synod’s budget. You have the opportunity to join us and help with event planning, writing, research, restoration, and gathering of gifts or donations. Consider becoming a member of WELS Historical Institute.

Prof. Robert Bock, reporter

Prof. Robert Bock, president
Mr. Daniel Nommensen, vice president
Mrs. Naomi Plocher, secretary
Mr. Ryan Haines, treasurer
Mr. Ken Artlip
Rev. David Dolan
Prof. James Korthals
Mr. Duane Kuehl
Rev. Joel Leyrer
Mr. Steve Miller
Mr. Carl Nolte
Dr. Joel Pless

Advisory:

Prof. John Brenner
Ms. Charlotte Sampe
Mrs. Susan Willems, WELS archivist

WELS Church Extension Fund, Inc. Floor Committee #17

Our calling

WELS Church Extension Fund, Inc. (CEF), is a self-supporting, not-for-profit, wholly-owned subsidiary corporation of WELS. Its primary purpose is to provide financing for mission congregation projects under the direction of the Board for Home Missions. WELS CEF provides loans and grants to qualified mission and mission-minded self-supporting congregations so that they can acquire parsonages, land, and facilities to serve as tools for gospel outreach.

Our current situation

CEF funding to carry out our mission comes primarily from three sources—member investments, gifts and bequests,

and operating revenue. Individual members, congregations, and affiliates of WELS may invest in CEF certificates and savings accounts. Presently 3,444 investors have entrusted WELS CEF with more than \$88 million as of March 2017. These member investments provide funds for the Loan Program. Gifts and bequests made directly to WELS CEF and revenues in excess of expenses from operations provide for the Grant Program.

Loan Program

WELS CEF's loan portfolio remains strong at more than \$145.8 million consisting of loans to 217 WELS congregations. Currently our "pipeline" of new loan applications for the remainder of fiscal year 2017 and the first half of fiscal year 2018 stands at 26 new requests for roughly \$40.3 million. CEF's lending interest rate structure is published annually in our Offering Circular—presently, our "base rate" for lending is 4.00 percent for eligible mission congregations looking to obtain initial land and facilities.

Grant Program

WELS CEF provides matching grants to eligible mission congregations after they have provided a minimum 10 percent down payment for land purchases, existing facility purchases, or new facility construction projects. A congregation's down payment combined with a CEF matching grant allows the mission congregation to move forward with a more manageable loan payment. \$1.6 million in grant dollars await disbursement to the 8 mission congregations presently in construction. We anticipate up to \$2.6 million of additional grant dollars to 10 congregations in our loan pipeline. Since 1993, more than \$31 million in CEF matching grants have been disbursed to mission congregations across North America and the West Indies.

Special grants to Home Missions

WELS CEF has distributed \$4.1 million to the Board for Home Missions in the past eight fiscal years. Our financial partnership with Home Missions, through the special grant program, has been strengthened recently with the creation of an endowment fund. The endowment fund will distribute about \$1 million annually for use by WELS CEF for special grants to Home Missions and grants to mission congregations.

A look ahead

We pray by God's grace that WELS CEF will continue to benefit from positive operational results and be able to continue to provide special grants over and above our matching grant programs to assist more mission congregations and Home Missions through our endowment program.

We anticipate that our loan portfolio will continue to experience growth during the 2017–19 biennium and into the future if we can continue to maintain a healthy and disciplined approach with regard to operations and a fair and competitive interest rate environment for investors and borrowers.

We continue to encourage individual WELS members, congregations, and affiliated organizations to consider investing in CEF loan, savings, and retirement/IRA certificates and to consider gifts and bequests to WELS CEF to help support our mission and close partnership with Home Missions.

For more information on WELS CEF's loan and investment programs, contact us at 866-511-7793 or cef@wels.net. You may also visit wels.net/cef for more information on our programs, resources, and work with Home Missions.

Mr. Scott Page, reporter

Mr. Seth Hansen, chairman
Mr. Timothy Boerneke, vice chairman
Mr. Kenneth Zehm, secretary
Mr. Brad Beal
Mr. Rodney Christ
Rev. Timothy Gauger
Mr. Tim Gensmer
Mr. David Hiron
Mr. John Tappe

Advisory:

Rev. Keith Free, administrator of WELS Board for Home Missions
Mr. Todd J. Poppe, WELS chief financial officer and treasurer
Mr. Sean Young, director of WELS Missions Operations

WELS Foundation, Inc.

Floor Committee #17

Our calling

WELS Foundation exists to help God's people support gospel ministry through WELS. It provides planned giving services and administrative support for gifts benefiting WELS congregations and ministries.

Established in 1965, WELS Foundation, Inc., is a WELS Support Services subsidiary corporation and serves God's kingdom by providing gift administration for complex gifts that ultimately benefit WELS congregations and ministries. WELS Foundation does not receive financial support from the synod's operating budget but instead relies primarily on administrative fees to cover its operating costs.

WELS Foundation strives to be the foundation of choice for members, entities, and affiliates of WELS. It is the only foundation whose purpose is to facilitate donors' desires to support WELS ministries. During calendar year 2016, WELS Foundation had the privilege to administer and distribute \$6.6 million in donor-directed gifts.

Our current situation

WELS Foundation provides various giving opportunities including charitable gift annuities, charitable remainder trusts, donor advised funds, and endowment funds. It currently administers nearly 1,200 charitable gifts on behalf of WELS members.

As of Dec. 31, 2016, the total assets were \$132.4 million with net assets of \$53.0 million. The net assets held by WELS Foundation are managed for the benefit of WELS ministries as designated by the donor. These ministries include WELS synodical ministries (i.e. missions and ministerial education schools), congregations, and numerous affiliated ministries such as area Lutheran high schools.

Endowment funds

Endowment funds are permanently restricted funds established to receive and administer all gifts that are designated by the donor(s) for an endowment from sources such as cash, stocks, bonds, mutual funds, bequests, life insurance, charitable gift annuities, insurance policies, trusts, real estate, personal property, or any other gift, whether current or deferred.

Lord willing, expenditures from endowments further the work of the church by providing ongoing financial support for ministry until the Lord returns.

Donor designated endowments can be established through the WELS Foundation for the benefit of WELS congregations, area Lutheran high schools, or other WELS affiliated ministries. WELS Foundation also administers synodical endowment funds for WELS, WELS Home and World Missions, Wisconsin Lutheran Seminary, Martin Luther College, Luther Preparatory School, and Michigan Lutheran Seminary.

As of Dec. 31, 2016, WELS Foundation administered 298 endowment funds with a total market value of \$72.2 million.

Charitable gift annuities

A charitable gift annuity is a contract between a WELS member and WELS Foundation by which the member makes a gift of cash or securities in exchange for fixed quarterly annuity payments for life. After the Lord calls the member home, the remainder of the gift annuity will be distributed to the congregation or ministry as designated. Income payments from a charitable gift annuity may begin immediately, may be deferred until a specific date in the future, or may be deferred until an unspecified date in the future.

As of Dec. 31, 2016, WELS Foundation administered 667 charitable gift annuities with a total market value of \$9.8 million.

Charitable remainder trusts

A charitable remainder trust is created when a donor transfers cash, securities, or real estate into a charitable trust but keeps a specified income interest—usually for life. When the trust ends per the donor's designation, the assets in the trust pass to the designated beneficiaries such as the church and/or synod.

As of Dec. 31, 2016, WELS Foundation serves as trustee for 163 charitable remainder trusts with a combined market value of \$29.0 million.

Donor advised funds

A donor advised fund is a charitable giving vehicle wherein an individual, family, or corporation makes an irrevocable, tax-deductible contribution of cash, securities, or other property to WELS Foundation and at any time thereafter can recommend grant distributions to qualified WELS ministries. The fund can be established with current gifts, deferred gifts (i.e. charitable gift annuities, charitable remainder trusts), and testamentary gifts (i.e. wills, living trusts, beneficiary designations of life insurance policies, or retirement accounts).

The WELS Foundation donor advised fund program provides an alternative to a private family foundation. WELS members can accomplish many of the same goals but with far less administrative work and expense.

As of Dec. 31, 2016, WELS Foundation administered 52 donor advised funds with a total market value of \$2.1 million.

Other gift administration services

WELS Foundation also provides gift administration for letters of instruction, gifts of securities, qualified charitable distributions from IRAs, real estate gifts, life insurance contracts, agricultural crops, and other donor designated gifts.

Educational webinars

In 2016, WELS Foundation hosted a series of 12 educational webinars. The monthly webinars were timely presentations on various planned giving topics and made available by WELS Foundation at no cost to WELS Christian giving counselors, advancement officers, and congregational planned giving committee leaders. Contact WELS Foundation for recordings of past webinars or to participate in future sessions.

A look ahead

To carry out its mission WELS Foundation will continue to identify the most cost effective means to:

- Provide knowledgeable planned giving support to members through WELS Christian giving counselors and other WELS advancement representatives.
- Provide various planned giving opportunities including charitable gift annuities, charitable remainder trusts, donor advised funds, and endowment administration.
- Provide printed and online educational material regarding planned giving opportunities benefiting WELS ministries.

Mr. James Holm, reporter

Mr. James Brenn, chairman

Mr. Mark Schulz, vice chairman

Mr. Timothy Boerneke, secretary

Mr. Nathan Birkholz

Mr. Michael Brereton

Rev. Kurt Lueneburg

Rev. Paul Prange

Mr. Kurt Sames

WELS Investment Funds, Inc. Floor Committee #17

Our calling

WELS Investment Funds exists to provide cost-effective, professionally-managed investment portfolios exclusively for WELS and WELS affiliated ministries. WELS congregations, area Lutheran high schools, and other WELS-affiliated ministries can invest in the same portfolios utilized by WELS and WELS Foundation. By pooling our God-given talents and resources, we are able to take advantages of opportunities that would not otherwise be available.

Our current situation

Established in 1997, WELS Investment Funds, Inc., is a self-supporting subsidiary of WELS. The WELS Investment Funds Board of Directors is responsible for the overall operations, including the engagement of investment consultants. In July 2016, the board retained Vanguard Institutional Advisory Service as their primary investment consultant. As a co-fiduciary, Vanguard Institutional Advisory Service is responsible for making investment recommendations to the board.

With the transition to the lower cost Vanguard portfolios and subsequent insourcing of fund accounting and sub-accounting, the investors in the WELS Balanced Funds are benefiting from a significant reduction in costs, from a range of 0.85 percent-0.90 percent to 0.36 percent. This “all in” cost of 0.36 percent includes the weighted average of the underlying mutual fund expense ratio of 0.15 percent plus an estimated 0.21 percent to cover the WELS Investment Funds’ operating expenses.

As of Dec. 31, 2016, WELS Investment Funds’ net assets totaled \$182 million:

- \$145 million from WELS and WELS subsidiaries (WELS Foundation, Church Extension Fund, Northwestern Publishing House, and ministerial education schools) and
- \$37 million from 173 congregations and 35 affiliated ministries.

There are three investment portfolios available to WELS ministries—WELS Equity Fund, WELS Income Fund, and WELS Balanced Fund.

A look ahead

The board is working to develop asset allocation guidelines to assist WELS ministries evaluate the appropriateness of various investment opportunities available within WELS. WELS Investment Funds will continue to meet with leadership groups from congregations, area Lutheran high schools, and other affiliated ministries to provide information about the investment opportunities available for WELS ministries.

Mr. James Holm, reporter

Directors:

Mr. Dennis Walters, chairman
Mr. Joel Luehmann, vice chairman
Mr. Jon Bruss
Mr. Seth T. Hansen
Mr. Ronald Schmitz
Mr. Max Wenck
Mr. John G. Wenker

Advisory:

Rev. Kurt Lueneburg, director of WELS Ministry of Christian Giving
Mr. Todd J. Poppe, WELS chief financial officer and treasurer

WELS Benefit Plans

Floor Committee #17

Our calling

The WELS Benefit Plans Office serves synodical workers and organizations through the administration of the WELS Voluntary Employee Benefits Association (VEBA), the WELS Pension Plan, and the WELS Shepherd Plan. Oversight of the VEBA Plan is the responsibility of the WELS VEBA Commission, and oversight of the Pension and Shepherd Plans is the responsibility of the WELS Retirement Program Commission. The commission members are appointed by the WELS Synodical Council. Each commission is composed of four laymen, a pastor, and a male teacher from the called worker roster. Contributions toward the cost of plan benefits and operations are held in separate

trusts, each invested in diversified accounts with outside money managers overseen by an independent investment advisory firm. The plans employ outside professionals that provide benefit design, actuarial, consulting, banking, legal, and auditing services.

Our current situation

Over the past year, Benefit Plans has continued to position the VEBA, Pension, and Shepherd Plans for long-term stability and to make the plans more accessible to the individuals and calling bodies we serve.

The 2015 synod convention resolved that the commissions should continue to educate WELS members and congregations regarding the value of WELS' benefit plans and importance of continued participation. Several efforts have been made during the past two years to fulfill this resolution. The Benefit Plans website was redesigned to provide enhanced functionality for mobile and media content and offer a more modern user experience. The new website will be used as a platform for future communication efforts, which include education and more robust resources for health care benefits and retirement planning. Utilizing a new consultant with strong communication resources, several focus groups of workers and calling bodies were conducted to identify the key priorities of our participants and help to establish our long-term communications strategy.

The 2015 synod convention approved a change to the WELS bylaws that places formal oversight of the WELS Shepherd Plan under the responsibilities of the Retirement Program Commission (formerly named the Pension Commission). This change will enable Benefit Plans to more effectively communicate with our participants the retirement benefits available through WELS and to more efficiently manage both plans on behalf of our participants. Over the past two years participation in the Shepherd Plan has grown significantly, with the plan gaining more than 100 new calling bodies and 250 new workers during this period. The total market value of Shepherd Plan assets as of Dec. 31, 2016, was \$100.1 million, compared to \$83.2 million as of Dec. 31, 2015 (+20 percent).

Benefit Plans has continued to monitor significant developments in implementation of the health care reform law (the Affordable Care Act or ACA). Although regulatory activities have somewhat diminished over the past two years, the public exchanges through which Americans can purchase health insurance have experienced significant volatility. Many carriers that initially began offering plans on the exchanges have reduced their exposure or left entirely, and premiums for exchange plans have increased at a faster pace than most employer group health plans. The stability provided by WELS VEBA during this unpredictable period has been highly valued by our participants, as more than 80 percent of all eligible workers and WELS calling bodies continue to participate in the VEBA Plan.

The Pension Plan is currently funded to more than meet its benefit obligations to in-benefit participants. However, longer life expectancies, aging participant demographics, and uncertain financial markets have increased the plan's benefit liabilities and caused its funding status (which compares the plan's assets with the benefit payments earned by participants) to remain in the mid-60 percent to mid-70 percent range since the economic downturn of 2008–09. Strong investment returns coupled with no benefit increases for new retirees during 2016 yielded a 3 percent increase to the plan's funded status, which was 70 percent as of Jan. 1, 2017.

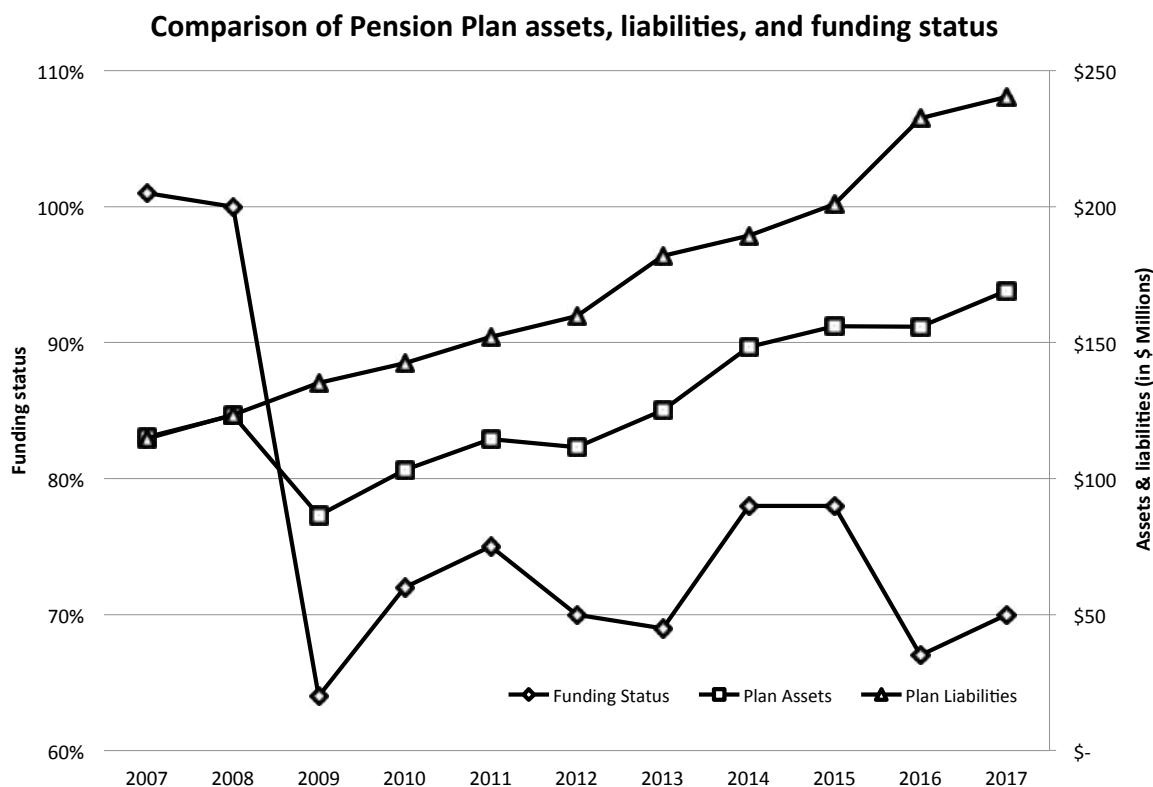
In light of these challenges, the Retirement Program Commission has continued its recovery plan, which includes the following actions to improve the plan's funding status:

- The contribution rate charged to sponsoring organizations has doubled since 2009. The 2018 annual contribution rate will increase to \$3,888 for a full-time worker (+10.9 percent).
- Contributions paid after the due date are subject to a late payment penalty that recoup lost investment earnings to the Pension trust.
- To slow the long-term growth rate of benefit liabilities, the benefit basis for new retirees has not increased since 2012.
- The overall volatility of investments in the plan trust portfolio has been reduced to protect against future market downturns.

These changes have been made to preserve the security of benefits for current and future retirees while minimizing the financial impact on workers and calling bodies. The Retirement Program Commission closely monitors the plan's contribution level and its impact on the plan's funded status, and the recent significant increase to the contribution rate has greatly improved the plan's financial situation. As a result, the commission expects the annual contribution rate change to return to historical norms (i.e. 3- to 6-percent annual increases) by approximately 2020, and may have

the opportunity to consider a contribution rate decrease within the next decade if the plan's funded status improves as projected.

The Pension and VEBA trusts achieved investment gains of 7.9 percent and 6.2 percent, respectively, in 2016, while the trusts achieved relatively flat returns in 2015. Unaudited results from the 2016 plan year show net assets available for benefits in the Pension and VEBA trusts as \$169.3 million and \$24.3 million, respectively. In comparison, final audited results from the 2015 plan year show net assets available for benefits in the Pension and VEBA trusts as \$155.9 million and \$22.6 million, respectively. Both commissions continue to evaluate investment allocation and diversification strategies that are expected to achieve target returns with reduced risk.



A look ahead

Benefit Plans will continue its dual-emphasis on maintaining long-term stability for the VEBA, Pension, and Shepherd Plans while improving accessibility to the plans for individuals and calling bodies. Revamping ongoing communications to participants is at the top of the priority list for both the VEBA and Retirement Program Commissions.

Given the uncertainties with the future of the ACA and the public exchanges, the VEBA Commission and its advisors will be carefully monitoring developments in this area and the impact on WELS VEBA. In addition, the VEBA Commission and Benefit Plans will be more closely observing worker participation in the VEBA Plan and health care arrangements at each sponsoring organization to protect the plan's long-term sustainability in the rapidly-changing health care environment. Providing an affordable health plan with consistent nationwide benefits is essential to supporting synodwide mission and ministry activities.

The Retirement Program Commission will continue to evaluate the feasibility of transitioning to a defined contribution plan arrangement for called worker retirement benefits. While this study is underway, the commission will focus its efforts on better engaging workers and calling bodies on the importance of planning for retirement and utilizing both the Pension and Shepherd Plans in this process.

Benefit Plans, as well as the VEBA and Retirement Program Commissions, are acutely aware of the need to keep benefit plan costs as low as possible to allow calling bodies to preserve valuable assets to fund ministry efforts. The primary goal for the benefit plans going forward is to strike the best balance between acceptable costs to calling bodies and meaningful benefits to participants.

Mr. Joshua Peterman, reporter

WELS VEBA Commission:

Mr. Richard Hudock, chairman
Mr. Charles Adrian, vice chairman
Mr. Jeff Timm, secretary
Mr. Robert Bullens
Mr. Douglas Dast
Rev. Joel Sauer

Advisory:

Ms. Christine Hitter, membership manager
Mr. Joshua Peterman, director of Benefit Plans
Mr. Todd J. Poppe, WELS chief financial officer
Ms. Lori Schrank, claims manager

WELS Retirement Program Commission:

Mr. Gene Szaj, chairman
Mr. Scott Heins, vice chairman
Mr. David McCulloch, secretary
Teacher Robert Fischer
Rev. Philip Hoyer
Mr. Thomas Medema

Advisory:

Ms. Christine Hitter, membership manager
Mr. Joshua Peterman, director of Benefit Plans
Mr. Todd J. Poppe, WELS chief financial officer

Northwestern Publishing House

Floor Committee #18

Our calling

The WELS constitution states, “The object and purpose of the synod shall be to extend and conserve the true doctrine and practice of the Evangelical Lutheran Church.” As outlined in the constitution, Northwestern Publishing House (NPH) fulfills this object and purpose “by printing, publishing, purchasing, selling, and disseminating literature that maintains Lutheran doctrine and practice” and “by furnishing appropriate literature for parish schools, Sunday schools, missions, institutions, and churches.”

The mission of Northwestern Publishing House is to deliver biblically sound, Christ-centered resources within the Wisconsin Evangelical Lutheran Synod and beyond. NPH develops materials that are consistent with this mission and aligned with Lutheran doctrine and practice. NPH does this without receiving funds from the WELS operating budget for ongoing operations. The WELS constitution dictates that the proceeds NPH receives from sales of materials to individuals, congregations, and schools shall be used to develop and publish new materials. Our calling, then, is to continue to proclaim God’s love in Christ through the careful use of the resources God grants to us.

Our current situation

In this milestone 500th anniversary year of the Reformation, we note some fortuitous publishing parallels between the Reformation and our publishing ministry today. Luther and his colleagues recognized that the reformation of the church required not only the pure proclamation of the scriptural gospel orally but also in printed form. So Luther translated the Bible into German. He wrote his Small and Large Catechisms. And, together with others, he provided hymns and liturgies that supported the active participation of all of God’s people in gospel-centered worship.

At this unique moment 500 years later, we find ourselves working on strikingly similar publishing projects: a new hymnal, a new exposition of Luther's Catechism, and the printing of a new translation of the Bible. These publishing projects all have the same basic goal that Luther had for his publishing work: to bring the gospel of Christ's saving love to the hearts and minds of God's people. As the Lord of the Church blessed Luther's efforts in the past, we ask God to keep us faithful to our calling and to bless our efforts for the good of his Church in the future.

Print publishing program

NPH continues to focus on developing products that we pray will provide a benefit to those we serve. During the last biennium, NPH published 4 books for pastoral growth, 32 books for layperson growth, 9 personal devotionals, 13 Bible studies, 5 worship resources, 3 vacation Bible school courses, Christ-Light homeschool curriculum, and 27 music titles. NPH also produced a Christian music CD, an audiobook, a musical drama for schools centered on the life of Martin Luther, a new catechism (see below), and two Yearbooks. In addition, NPH published the periodicals *Meditations*, *Forward in Christ*, *Parents Crosslink*, and *Wisconsin Lutheran Quarterly*.

Digital publishing program

NPH has taken steps to deliver content in ways that are relevant today with more than 170 books in e-book format, distribution of more than 115 titles through Logos, more than 500 downloadable products, digital *Forward in Christ*, and the *Meditations* Daily Devotional app. While digital publishing is an important strategy for NPH, distribution of digital products represents a relatively small portion of a publisher's sales, and therefore print versions will remain critical to NPH's success as a ministry.

Reformation 500

As we celebrate the 500th anniversary of the Lutheran Reformation, NPH is supporting synodwide efforts to observe this important event with resources for pastors, congregations, and schools. NPH has recently released 15 new Reformation books, curriculum, Bible studies, and other resources and has rereleased four classic books from previous Luther offerings. The objective of the mix of materials is to deepen understanding of Martin Luther among our pastors, called workers, students, and Christians at all levels of maturity. NPH has also collaborated with WELS Communication Services and WELS Commission on Evangelism to provide outreach materials to be used by local congregations for the anniversary. For more information on the efforts of the Reformation 500 Committee, see p. 23.

New catechism

Pastors John Braun and Ray Schumacher at NPH, with two members of the Seminary Education Department, Professors Joel Otto and Stephen Geiger, have completed a new exposition of the catechism. The catechism is now available in both NIV11 and English Standard Version translations.

Christ-Light curriculum

With the completion of the Christ-Light Lutheran elementary school and Sunday school materials, NPH developed and released a new version of the materials appropriate for homeschoolers.

Bible studies

NPH has reformatted Bible studies to provide greater relevance and to better address the ways adults learn today. Additionally, Pastor Ray Schumacher, Bible Studies editor at NPH; representatives of the WELS Commission on Adult Discipleship, including Pastor Gary Pufahl; and the Wisconsin Lutheran Seminary Education Department, including Prof. Thomas Kock, produce a monthly "Teach the Word" e-newsletter that provides practical advice and information to help pastors better understand adult learning.

Collaborative projects

NPH is currently engaged in a number of exciting collaborative projects with WELS commissions, committees, and parasynodical agencies. The list of projects includes a hymnology curriculum, Bible studies, and a new catechism exposition. NPH also participated in the development of the new Reformation film, *A Return to Grace: Luther's Life and Legacy*, and developed related Bible study materials.

Close collaboration continues between NPH and Multi-Language Publications (MLP) with NPH providing content translated by the MLP for use throughout the world. This content includes a number of books and other materials along with Christmas and Easter for Kids. NPH further supports MLP's efforts by providing warehousing, e-commerce, distribution, and customer service facilities and expertise.

Bible translations

NPH continues to pursue an "eclectic approach," as directed by synod resolution, utilizing the best translation for the

context of any given work. NPH may utilize the New International Version (NIV11), the English Standard Version (ESV), and the Christian Standard Bible (CSB), formerly the Holman Christian Standard Bible (HCSB), as translation options.

The Christian Standard Bible is available for purchase through Northwestern Publishing House. The Evangelical Heritage Version (EHV) is the Bible translation being developed by the Wartburg Project. The EHV New Testament & Psalms edition is now available through NPH. A complete EHV Bible will be introduced at a future date yet to be determined.

Business and ministry

As a self-funding ministry, Northwestern Publishing House is subject to business trends and dynamics and must daily apply solid business principles to be successful as a ministry. Several factors in recent years have shaped the current business situation at NPH.

- NPH's primary customer base, WELS members, are declining in number.
- Competition has increased, and there seems to be a growing acceptance of alternative sources of Christian products among WELS pastors and members.
- Core church supply materials such as periodicals, bulletins, and offering envelopes have declined in sales.

While NPH is challenged by these factors, an increased investment in marketing and expanded distribution in the past 36 months have resulted in encouraging gains that have arrested the downward sales trend.

- Whether by e-mail, direct mail, in-store events, or promotions, customers are increasingly responding to efforts to reach them.
- NPH's social media reach has expanded with growth in Facebook of 38 percent in the past two years, establishing an ongoing conversation with more than 4,200 customers.
- More customers are purchasing from the NPH website. Promotions and improved website search capability are making a difference.
- Distribution through Amazon and barnesandnoble.com continues to increase with sales to date of more than 15,000 print and e-books. Most important, this represents a significant number of people that we may not have reached with God's Word if our materials were not available in these channels.
- Digital content is showing promising performance with nearly 50,000 downloads (more than 2,100 annual subscriptions) of the *Meditations* Daily Devotional app in 178 countries.
- Book fairs continue to grow with nearly 300 events hosted, providing an opportunity to directly reach our church members.

A look ahead

As we look ahead, we thank and praise God for the blessings he has provided. Certainly the future is not for us to know and rests securely in the Lord's hands. Nevertheless, we look ahead with a desire to be good stewards of the resources God has graciously given, a positive—even hopeful—attitude, and a willingness to work while we have the opportunity.

New hymnal

The WELS Hymnal Project led by Pastor Michael Schultz includes many pastors and musicians engaged in continuing to move the new hymnal and related materials forward. The approach to each of the hymnal products is beginning to be narrowed, and production timelines are being completed. Planned launch date for the hymnal remains mid- to late-2021. For more information on the Hymnal Project, see p. 53.

Hymnology curriculum

Mr. Jeremy Bakken, director of worship and sacred music at NPH, is working with a subcommittee of the WELS Commission on Worship that is preparing a hymnology curriculum for Lutheran elementary schools. The curriculum will include hymns from the current and upcoming hymnals. The projected release date for year one of this three-year curriculum is planned for use in the fall 2020 school year.

Business and ministry

Northwestern Publishing House has served the publishing needs of the synod for more than 125 years. It has fulfilled one of the five Objects and Purposes of the synod outlined in the WELS Constitution: "printing, publishing, purchasing, selling, and disseminating literature that maintains Lutheran doctrine and practice." NPH fulfills this role through development of materials that it distributes in print and digital media; through its retail store, phone, e-commerce, and third party channels. While NPH's impact is significant, and we are thankful to God for his blessings

on our efforts, we must look toward the future and determine the best way to continue to meet the publishing Object and Purpose outlined in the WELS Constitution and to fulfill the mission of Northwestern Publishing House. A number of strategic steps have been taken to reduce costs without impacting service to our customers. In the months ahead, we will continue to analyze and evaluate the best ways to address the current industry and business trends that are impacting NPH today and the issues that will impact NPH in the future.

We remain thankful for our team of committed, mission-minded employees who daily strive to meet the challenges before us and share God's Word as broadly as possible.

Action items

We ask Floor Committee #18 to consider these points as it meets.

Encouragement to pastors

With the advent of the Internet, apps, and Christian mass media (television, radio, online), the options for Christian content and instruction have exponentially expanded from any other time in history. At last count, Amazon alone offered 1,164,129 Christian books. These options today serve WELS members looking for Christian books, Bibles, devotionals, and gifts. As the synod's publisher, NPH plays a critical role in producing materials that are biblically sound and centered on the gospel of Jesus Christ. NPH ensures that the books and materials it publishes and makes available from other publishers are theologically accurate and doctrinally trustworthy. We ask that pastors recognize the role NPH plays in service to them and to their church members and actively encourage their members to make use of NPH as a resource to help them grow in their faith. A pastor's advocacy for NPH is critical to our ability to reach his church members with the books and other materials we develop for them. We appreciate and are thankful for the many pastors who regularly share the informational materials delivered to their church and make NPH a part of their ministry.

Our thanks

Finally, we pause to give thanks for the service of Pastor John Braun, who has served faithfully in the role of vice president of editorial at Northwestern Publishing House for 23 years. During his time at NPH, Braun oversaw the development of literally hundreds of books and other resources that have blessed our pastors, teachers, and church members. We are grateful for his long service to NPH and pray that the Lord will continue to bless him as he completes his call here and moves on in further service to his Savior.

Mr. Bill Ziche, reporter

Prof. John Hartwig, chairman
Rev. Joel Schroeder, vice chairman
Mr. Edward Wolf, treasurer
Mr. Christopher Snyder, secretary
Mr. Michael McCormick
Mr. David Neujahr
Mr. Matthew Plocher
Rev. Luke Werre
Prof. Keith Wessel

Advisory:

Mr. Todd J. Poppe, WELS chief financial officer

Administrative officers:

Mr. Bill Ziche, president
Rev. Curt Jahn, interim vice president, editorial
Mr. Eric Krueger, vice president, finance and accounting
Mr. Todd Rebillot, vice president, human resources and operations

Publication Coordinating Commission

Floor Committee #18

Our calling

The Publication Coordinating Commission (PCC) has the task of coordinating and prioritizing the publishing and media production of the synod's boards and commissions and Northwestern Publishing House (NPH) in order to avoid duplication of effort. In the past we have solicited publishing proposals for material that are not funded by the budgets of WELS boards and commissions or would not recover the cost of production. When these projects are deemed to be important, their production costs are evaluated. We have also evaluated publishing proposals of NPH that were deemed valuable but could not recover the cost of production. We reviewed and evaluated those proposals and awarded funds from the Publication Fund to those projects we considered vital.

Our current situation

In recent years, we have been hampered by diminished financial resources. Because of that, publishing plans for projects that will not recover development costs through sales have been difficult to plan. The PCC was able to subsidize only a limited number of projects with its minimal resources.

In fall 2015, we were confronted with additional funding for the publication of a new exposition to Luther's Catechism and a new hymnal. NPH had earlier agreed to fund these projects, but NPH reported that recovery of development costs for these two projects would be difficult based on current projections. In addition, funding for any new significant projects would be beyond NPH's resources at this time and beyond the ability of the PCC to grant funds unless additional funds were added to its Publication Fund. Because it had been some time since the PCC functioned, the commission asked President Schroeder to appoint new members (listed below) to the PCC so that publishing plans could be evaluated and move forward.

The PCC, with its new members, then met in January 2016. The commission first reviewed the PCC philosophy, priority guidelines, and completed projects. Then it turned its attention to review and evaluate publishing plans, including the new hymnal and the new catechism exposition, both of which were included in the WELS Long-Range Plan. The review revealed that both exceeded the resources available to the PCC at this time. NPH, however, will continue to develop them both. The commission took one more step for the development of the hymnal. It reviewed project costs and expected revenue from sales of all hymnal products and resolved to ask for an additional \$400,000 for the hymnal from WELS through special gifts or reallocation of WELS budgetary funds. NPH and the Hymnal Committee will work on these projects and prioritize them as efficiently as possible in order to use efficiently whatever resources are available.

The PCC also discussed two additional publishing initiatives: technological enhancements to the Christ-Light curriculum and a curriculum used exclusively for Sunday schools. With estimated costs for these projects high, the PCC was unable to assist with these projects.

The commission also reviewed plans for theological books created for pastors. These books provide our confessional Lutheran theological perspective for a small but important readership. Subsidy requests were made after a financial analysis with NPH and the PCC considered the following books:

In Defense of the Lutheran Faith (a translation by J. Montgomery)

Doctor of Souls: Pastoral Theology (J. Schuetze)

Studies in the Smalcald Articles (a revision of J. Meyer's work by J. Brenner)

Wauwatosa Theology IV (A book of theological essays)

A Christian Guide of Mental Illness Vol. 1 (S. Saunders)

Funds were available and could be allocated for these projects from the Publication Fund.

Finally the commission proposed a resolution to return to the previous model of funding large future projects. That model was a cooperative funding model that provided funds from NPH and WELS, rather than depending on NPH to

fund large synodwide projects. We are grateful for the leadership and subsidy provided by NPH, especially for the hymnal and catechism exposition, but we felt we could not jeopardize the future of the publishing house by expecting funding to come only from their resources in the future.

Additional theological works are on the agenda of the PCC at this time. If the commission agrees to fund them, its financial resources will be diminished to the point it will only be able to consider a few smaller projects.

A look ahead

Although the commission lacks sufficient funds for publication of many projects, we still believe that publishing plans of the boards and committees of the synod should be channeled through the Publication Coordinating Commission in order to maintain some coordination and consistency. Publishing today involves digital formats and technological innovations that are expensive and time consuming to create. We also face challenges in reaching a new generation of digitally-savvy readers. Sadly we have no resources to pursue these opportunities. While the future may not be clear at this point, we simply rely on the Lord's blessing so that we can continue to proclaim his gospel with quality materials that reflect our scriptural and confessional standards.

Rev. John Braun, reporter

Rev. John Braun, chairman and vice president of Northwestern Publishing House

Rev. Bryan Gerlach, Congregation and Ministry Support Group

Rev. Curtis Jahn, Northwestern Publishing House

Prof. Thomas Kock, Wisconsin Lutheran Seminary

Rev. Bruce McKenney, parish pastor

Rev. Nathan Seiltz, WELS Multi-Language Publications

Rev. Jonathan Werre, Board for Home Missions

Advisory:

Mr. Lee Hitter, director of communications

Mr. Todd J. Poppe, WELS chief financial officer

Committee on Constitutional Matters Floor Committee #20

Our calling

The Committee on Constitutional Matters (CCM) serves under the Conference of Presidents (COP) to interpret the constitution and bylaws for the synod and its constituency. It is responsible for maintaining and distributing accurate updates of these documents as changes are made by the synod in convention. The current WELS Constitution and Bylaws and the Constitution for the Districts are available at wels.net/about-wels/synod-reports. If you are unable to access the documents on the website, you may contact the synod office to request a printed copy.

Our current situation

In addition to revising the document to incorporate the amendments approved by the 2015 convention, the committee has been asked to address 28 specific questions on constitutional matters since the convention to the date of this report.

The delegates to the 2017 convention will have a number of proposed amendments to the bylaws to consider. They have been submitted by the Conference of Presidents and the Synodical Council and are contained in the “Proposed bylaw revisions” document that follows this report. The italicized words in the document provide the rationale for each of the proposed changes. These proposed amendments will be assigned to the Floor Committee on Constitutional Matters, Floor Committee #20. The convention may also consider any other proposed amendments to the constitution or bylaws which have been sent to all voting and advisory delegates at least 60 days prior to the convention.

A look ahead

Our committee will meet as soon as possible after the convention to incorporate any amendments approved by the delegates and publish the revised Constitution and Bylaws. Notice will be given when the document is complete. It will be available, as now, at wels.net/about-wels/synod-reports, or by contacting the President’s Office for a printed copy.

Rev. Paul Naumann, reporter

Rev. Paul Naumann, chairman

Mr. Kenneth Gosch

Rev. Steven Korth

Proposed bylaw revisions

The Conference of Presidents and the Synodical Council are recommending the following changes to those sections of the bylaws for which the two groups have overall responsibility. Rationale for the changes are provided. Only those areas of the bylaws recommended for change are included here; those not being amended are not printed in this recommendation but can be found in the synod Constitution and Bylaws if reference is needed.

Group A

The bylaw revisions in this group are intended to provide clarification in wording. All of the revisions reflect current practice and do not represent substantive changes in current structure or practice. In the cases of a change in terms of service, these changes bring consistency across all elected and appointed positions, calling for election or appointment to four-year terms, with the candidate able to succeed himself twice, for a total period of 12 years. Previously, some positions called for six-year terms, with the ability for the candidate to succeed himself once (also for a total period of 12 years).

Item #A-1

*Rationale: Provides a definition for a parasynodical organization, the term most commonly used; previously referred to in other bylaws as “parachurch organizations” but with no definition. **This represents no change in current practice.***

DEFINITIONS

Section 1.00

(h) “Parasynodical organizations” are those WELS-affiliated organizations listed under “Church-Related and Charitable Organizations” in the most current synod Yearbook.

Item #A-2

*Rationale: Section 2.00 (a) Clarifies that resolutions are those passed by the synod meeting in convention. Section 2.00 (b) Same as (a); Section 2.00 (c) Provides clarification in wording; **no change from current practice.** Changes in Section 2.10 and 2.20 are consistent with what is stated in (c) above.*

OFFICERS

Section 2.00

President

(a) The president shall officially represent the synod and promote the best interests of the synod. He shall exercise supervision over the official conduct of all officials of the synod, supervise the execution of synodical convention resolutions, and oversee the total synodical operation, particularly to insure that it is true to its mission and objectives and that it is being conducted within the framework of the synod’s stated standards for doctrine and practice. He shall function in every way as the synod’s pastor and chief executive officer of the synod. He shall be responsible for reporting to synod and district conventions.

(b) The president shall be a pastor elected by the synod in convention for a four-year term with no limitation on the number of terms. The office shall be full time. The Synodical Council shall establish the salary of the president and provide adequate housing for him. In the event the president is not re-elected, the Synodical Council shall make financial arrangements for his support for such time as it deems necessary.

(c) The president shall serve as the chairman of the Synodical Council and the Conference of Presidents and as an ex-officio member of all other boards, commissions, and committees of the synod for which he ~~is not directly responsible. does not serve as chairman.~~ He may ~~appoint advisory members to represent him. designate others to represent him on boards, commissions, and committees for which he does not serve as chairman.~~

Section 2.10

First Vice President

(b) The first vice president shall be a parish pastor elected by the synod in convention for a four-year term with no limitation on the number of terms. The office shall be part time.

Section 2.20

Second Vice President

(b) The second vice president shall be a parish pastor elected by the synod in convention for a four-year term with no limitation on the number of terms. The second vice president shall carry out such assignments the president or first vice president may assign or are prescribed under these bylaws.

Item #A-3

Rationale: The bylaw governing the Accounting Oversight Committee is not changed but is moved to Section 5.35 since it reports to the Synodical Council. The change in (c) makes terms consistent with other boards and commissions.

~~Section 2.65~~ 5.35

Accounting Oversight Committee

(c) The committee shall be composed of at least four members but not more than seven members. The members shall be appointed by the Synodical Council. One member of the Synodical Council shall serve as an advisory member. The Synodical Council shall appoint one of the members to serve as chairman. The members, other than the Synodical Council’s member, shall serve a term of ~~six four~~ years and may succeed themselves ~~once twice~~. As far as practical, the terms should be staggered. The members shall be independent in fact and appearance from the management of the synod and its affiliates, shall be financially literate, and at least one member shall be an audit committee financial expert as defined by Securities and Exchange Commission regulations.

Item #A-4

*Rationale: Specifies that the election of officers takes place at each **regular** synod convention, not at special conventions; **no change from current practice**. (b) and (c) adds consistency of language when referring to actions taken by the synod in convention.*

Section 2.80

Election of the President, Vice Presidents, and Recording Secretary

(a) The election of the president and second vice president or first vice president and recording secretary shall take place at each regular synod convention and shall precede all other elections. Any of these offices vacated by election shall be filled by election at that convention for the remainder of the unexpired term.

(b) The nomination of candidates for the offices of president and second vice president or first vice president and recording secretary shall be conducted by the synod in convention in alternate conventions on written nominating ballots. For the office of president anyone listed on the most current synodical roster of “pastors - active” shall be eligible. For the office of vice president only parish pastors on the same roster shall be eligible. For the office of recording secretary, all male called workers listed as active in the most current synodical roster shall be eligible.

(c) The five nominees who shall have received the largest number of votes on the nominating ballot for president shall be the candidates for that office. The nominating ballot shall not be declared an election. The synod in convention shall then proceed to the election. If no candidate receives the majority of the votes cast on the first ballot, the name of the candidate receiving the fewest votes shall be stricken, and a new ballot shall be taken. The balloting shall continue in this manner until one candidate shall have received the majority of the votes cast.

Item #A-5

*Rationale: The intent of this bylaw is to ensure that former board, staff members, and missionaries discontinue their formal board/commission/committee relationship once their term has expired or their employment has ended. “Advisory” membership was added to “honorary” members for additional clarity. **Reflects current practice**. This does not prevent boards, committees, or commissions from seeking occasional advice or input from those who formerly served.*

Section 2.90

Restriction on Offices and Appointments Held

(g) Boards, commissions, or committees shall not confer honorary or advisory membership on their former board members, or former staff members, or former missionaries ~~honorary membership~~.

(h) No person except the president whose salary is derived in whole or in part directly from the synod shall be eligible for membership on the Synodical Council.

(i) A missionary under the supervision of the Board for World Missions may not be a member or permanent advisory member of an administrative committee of the Board for World Missions.

Item #A-6

*Rationale: The amendments to this section reflect current policy, practice, and terminology employed by the Synodical Council and provides additional clarity and explanation in a number of provisions. Section 5.00 (c) also includes the name change for the Congregation and Ministry Support Group, assuming that the change is made in Section 4.15. **This represents no change from current practice**.*

SYNODICAL COUNCIL

Section 5.00

Synodical Council Duties and Responsibilities

(c) The advisory members of the council shall include the first vice president, second vice president, chief financial officer, an administrator each for home missions, world missions, and ministerial education, the coordinator of ~~the Congregation and Ministry Support Group~~ Congregational Services, the director of the Ministry of Christian Giving, the director of communications, the chief technology officer, and the treasurer. Additional advisory members may be appointed by the chairman as necessary.

(f) The Synodical Council shall have the responsibility for preparing, reviewing, and approving the ~~program~~ budgets ministry financial plan recommended to the synod in convention in keeping with fiscal integrity. Although the Synodical Council is responsible for overall fiscal integrity under the direction of the president, the internal

management of the institutions, boards, commissions, and other undertakings of the synod shall be generally vested in the respective boards and commissions. The Synodical Council shall weigh and balance the areas of ministry with respect to the synod's resources and mission. The Synodical Council shall be responsible for overall ministry program and budget development, evaluation, ~~and coordination, and support allocation~~. The Synodical Council shall present to each regular synod convention a comprehensive, balanced ministry program and financial plan reflecting a long-range planning process by which the synod may best achieve its objectives in keeping with its resources. To that end it shall: evaluate the program and budget resources available for each area of ministry on the basis of its contribution to the synod's continuing purpose and objectives; evaluate the contribution each program is making toward the achievement of the synod's objectives; develop and maintain a strategic plan with established priorities; recommend programs and the budget ministry financial plan to the synod convention; be accountable for balancing the budget ministry financial plan; and coordinate the program, adopted by the synod convention, making adjustments in work programs, ~~and budgets~~ support allocations, and resource utilization as they become necessary.

(g) Should the resources at the disposal of the Synodical Council be insufficient to meet all financial obligations of the synod ~~promptly~~, the Synodical Council is authorized and directed to borrow, at its discretion, the necessary amounts up to such limits as the synod in convention may prescribe. The Synodical Council shall, however, include these activities in its report to the next regular convention of the synod.

(j) The Synodical Council shall be responsible for the administration and investment of all synod funds. ~~The Synodical Council shall approve the establishment of any restricted funds.~~ The Synodical Council shall be responsible for the investment and administration of the assets entrusted to it by the synod. It shall make such conveyances of the properties of the synod in accordance with the policies of the synod and within such limitations as the synod in convention may from time to time prescribe and within such further limitations as may be set forth elsewhere in these bylaws.

(k) The Synodical Council shall require an annual audit by a certified public accounting firm of the records and accounts of the synod, its schools, Support Services subsidiaries, WELS Retirement Program Commission, WELS VEBA Commission, and all other units identified by the Synodical Council. ~~that disburse synodical funds.~~ Such audit shall be performed in accordance with generally accepted auditing ~~principles.~~ standards.

(l) The Synodical Council shall submit, through the president, to every regular convention of the synod a written report of its activities, the condition of the finances and properties of the synod, and the investment of ~~trust~~ synodical funds. A similar report shall be presented through the president to the regular district conventions.

Item #A-7

Rationale: Simplifies and removes unnecessary wording; no change from current practice.

Section 5.10 Synod Operations

(a) The operations of the synod shall be grouped into five areas of ministry: Home Missions, World Missions, Ministerial Education, Congregation and District Ministry, and Ministry Support, as described elsewhere in these bylaws.

~~(b) Home Missions, World Missions, and Ministerial Education are described elsewhere in the bylaws.~~

~~(c) Congregation and District Ministry includes the Conference of Presidents and the various ministries accountable to, or under the oversight of, the Conference of Presidents as specified in the bylaws.~~

~~(d) Ministry Support includes the praesidium, the Synodical Council and areas accountable to it, and Support Services as specified in the bylaws.~~

~~(e) The president and the chief financial officer shall be responsible for Ministry Support.~~

Item #A-8

*Rationale: Simplifies and removes unnecessary wording. Allows for electronic communication. **No change from current practice.***

Section 5.20 Boards, Commissions, and Committees

(d) Meetings of boards, commissions, and committees may be held at any place as designated in the meeting notice or as the members may establish ~~by resolution or by written consent.~~

(f) An action required or permitted by the constitution or bylaws to be taken by boards, commissions, and committees may be taken without a meeting if a consent in writing setting forth the action so taken, shall be signed or sent electronically by all of the members entitled to vote on such action.

Item # A-9

*Rationale: The amendments to this section **reflect current policy, practice, and terminology** employed by the Synodical Council and provides additional clarity and explanation in a number of provisions, particularly describing that the operations of the subsidiaries are a part of the synod's ministry financial plan.*

Section 5.30

Establishing the ~~Budget~~ Ministry Financial Plan

(a) ~~After appropriate consultation, the~~ Synodical Council shall establish a support forecast which shall serve as a basis for determining operating support available for ministry. The forecast for Congregation Mission Offerings shall be established in consultation with the Conference of Presidents, an estimate of anticipated revenues which shall constitute the target for the Synodical Council expenditures budget.

(b) In the year in which the convention meets, every area of ministry, ministerial education school and Ministry Support subsidiary, operational unit of the synod, through its respective area of ministry, administrator or board shall present to the president Synodical Council its budget complete ministry financial plan for the next two fiscal years. The plan shall include the use of both operating and special funds, as well as anticipated changes in reserves. The president shall then present a comprehensive ministry financial plan to the Synodical Council. according to methods, forms, and schedules prescribed by the council.

(c) The Synodical Council shall review the program and budget requests ministry financial plan proposed by the president, seeing to it that the expenditures do not exceed anticipated support and resources, that the plan reflects the overall purposes and goals of the synod, and that the use of reserves is fiscally responsible. presented and approve a recommended total work program of the synod that does not exceed anticipated revenues and is fiscally responsible.

(d) Requested items not included in the recommended budget ministry financial plan shall be placed on an unfunded list in priority order.

(e) The synod in convention shall review the recommended work program of the council ministry financial plan proposed by the Synodical Council, and, after making any desired changes, approve a total work program complete ministry financial plan including the areas of ministry, ministerial education schools, and Support Services subsidiaries that is fiscally responsible. for the synod that does not exceed anticipated revenues.

(f) At any time during the biennium, if the budget ministry financial plan approved by the convention would result in expenditures greater than anticipated revenues, resources, or if the plan were to become fiscally imprudent, the Synodical Council shall adjust the budget plan in order that budgeted expenditures do not exceed anticipated resources revenues for that fiscal year. or result in the fiscally imprudent use of those resources.

(g) Budgeted expenditures eliminated Synod support allocations reduced by the process of adjustment, either by the synod convention or by the Synodical Council, by the process of adjustment shall be placed on the unfunded priority list. The priorities on this list shall be determined by the council on an ongoing basis upon recommendation of the respective area of ministry. Budgeted Expenditures specifically approved by the convention but eliminated because of lack of funds shall be given a high priority.

(h) If reductions are necessary in the budget adjustment process, the areas of ministry in consultation with their operational units shall determine in which area of its budgets the reduction shall be applied. At any time during the biennium, an area of ministry, synodical school, or Support Services subsidiary may request the Synodical Council to consider a request to modify the approved plan. The request shall be submitted and considered

(i) There shall be no intradepartmental or interdepartmental budget transfers except in accordance with procedures established by the Synodical Council.

Item #A-10

*Rationale: **The amendments to this section reflect current policy, practice, and terminology** employed by the Synodical Council and provides additional clarity and explanation in a number of provisions.*

Section 5.40 Gifts and Bequests

(a) The Synodical Council shall be responsible for all gifts and bequests benefiting the synod's missions and ministries or area of ministry. If the use of a gift or request is restricted by the donor, the Synodical Council shall ensure that the gift or bequest is used for the restricted purpose insofar as possible. If the restriction placed on a gift is deemed by the Council impossible to implement, or if the restriction is not in the best interest of the synod, the Council shall decline the gift, or one of its operational units.

(b) Gifts and bequests not given for a clearly defined purpose shall be designated by the Synodical Council. These gifts and bequests may be placed into a fund for investment. Gifts to the synod that are not restricted by the donor will be placed into the Financial Stabilization Fund.

(c) Gifts and bequests given for clearly defined purposes shall be placed into the appropriate funds and used for the designated purposes insofar as possible. The ministerial education school governing boards and the boards of directors of the Ministry Support subsidiaries shall be responsible for all gifts and bequests benefitting the entity. If the use of the gift is restricted by the donor, the governing board or board of directors shall ensure that the gift or bequest is used only for the restricted purpose insofar as possible.

(d) Gifts and bequests to synodical schools shall be handled under the following provisions:

- 1. Gifts and bequests given for an endowment purpose shall be transferred, upon receipt, to the Synodical Council to be held for investment.
- 2. Gifts and bequests for a designated purpose shall be forwarded to the Synodical Council for investment until needed. Gifts and bequests will be returned to the school upon approval of the Synodical Council if the usage is in accordance with the terms of the gift or bequest. However, if the gift or bequest is below the policy criteria set for the school by the Synodical Council, it may be retained by the school and expended for the designated purpose.
- 3. Gifts and bequests not given for a clearly defined purpose shall be designated by the governing board and forwarded upon receipt to the Synodical Council which shall keep an accurate record of the provisions and amounts of such gifts and bequests. These funds shall be held for investment and may be withdrawn after approval of the designation and the proposed use by the Synodical Council. However, if the funds are below the policy criteria set for the school by the Synodical Council, they may be retained by the school and expended for that purpose.

Item #A-11

*Rationale: Clarifies that the term "administrator" is used only to refer to those who are called as administrators of the three areas of ministry. Directors of commissions are called by the Conference of Presidents. Section 5.60 (d) allows for electronic communication in addition to surface mail. **This reflects no change in current practice.***

Section 5.60 Administrators

(a) The ~~area of ministry~~ administrators for Home Missions, World Missions, and Ministerial Education shall be accountable and reportable to their boards and to the president ~~or his designee~~.

(b) Administrators shall be advisory, non-voting members of the boards ~~and/or commissions~~ under which they serve.

(c) Administrators shall execute the decisions of the boards and/or commissions under which they serve.

(d) Administrators of the synod shall be called in the following manner. Notice of a vacancy shall be published on the official internet site of WELS and/or to congregations by mail or e-mail, and all pastors, male teachers, congregations, and voting members of congregations shall be invited to nominate candidates within 20 days from the date of publication. The list of candidates shall be published on the official internet site of WELS and/or to congregations by mail or e-mail, and the calling board shall call from the published list no earlier than 30 days from the date of publication.

Item #A-12

*Rationale: Clarifies that the authority of the governing boards is not absolute. While the boards have the authority to manage and administer the affairs of the school, this amendment specifies that the synod convention and the Synodical Council acting in the synod's behalf, have the authority to pass resolutions that may restrict or direct the actions of the boards; **no change from current practice.***

Section 6.40**Authority of the Governing Boards**

The internal affairs of the ministerial schools and their administration shall be subject solely to the authority of the governing boards unless the item is governed by synod convention resolutions and/or Synodical Council policy and procedures. Each ministerial school, ~~however,~~ is a part of the ministerial education system, which is governed and administered by the Board for Ministerial Education.

Item #A-13

*Rationale: Provides greater clarity to the role of the presidents and utilizes current terminology; **no change from current practice.***

Section 6.44**Duties of Presidents of Ministerial Schools**

(a) The president of a ministerial school shall be the chief executive officer of the school. He shall provide operational supervision to supervise its departments and property. ensure that the synod's and the school's assets are maintained and safeguarded.

(b) Department heads shall administer their departments. The president, however, shall have access to all records, meetings, and correspondence pertaining to each department. In case of disagreement the decision of the president shall be final, pending an appeal to the school's governing board.

(d) The president shall be the official representative of the ministerial school. He shall report regularly to the governing board and execute its decisions. The president shall be an advisory member of the governing board.

(f) In collaboration with the faculty, the president shall determine the courses of study and shall assign them to the members of the faculty. In case of disagreement among the members of the faculty, the decision shall rest with the president. No changes in the basic curriculum shall be made without the approval of the governing board.

Item #A-14

*Rationale: Since there are women serving on the faculty of Martin Luther College and the two prep schools, this change reflects the fact that nominations are to be made by voting members of the synod and its congregations; **no change from current practice.***

Section 6.48**Calling Procedure**

(c) All pastors, male professors, male teachers, congregations, and voting members of congregations shall be entitled to nominate a candidate or candidates within 20 days from the date of publication of the vacancy. The calling board may issue a request for additional candidates at any time.

Item #A-15

Rationale: Provides additional clarity; no change from current practice.

SUPPORT SERVICES

Support Services includes the entities contained in Section 7.00–7.99 of the bylaws, as well as, but is not limited to accounting, archives/history, budgeting, benefit plans, finance, human resources, legal, lending, planning, real estate, revenue forecasting, and technology. ~~These areas are responsible and accountable president oversees this area directly or indirectly through advisory members he appoints to support the corporations, committees, and commissions accountable to the Synodical Council: through the president or his designee.~~

Group B

The recommended amendments in Group B call for changes in current structure or practice.

Item #B-1

Rationale: The change means that the board of directors of Northwestern Publishing House will no longer be elected by the synod convention. Directors will be appointed by the Synodical Council. The purpose of this change is to ensure that men with proper background and qualification can be chosen for the benefit of the mission and ministry of Northwestern Publishing House and to make the bylaw governing Northwestern Publishing House consistent with the other subsidiary organizations. This assumes that the recommended change in Section 7.0 is adopted. The addition in (e) reflects the current practice of having the synod in convention elect the chairmen of the commissions of Congregational Services (Congregation and Ministry Support Group). This was unintentionally omitted in this section of the current bylaws (but does appear in Section 4.15 (a)).

Section 3.40 Nominating Committee

(e) In January of the convention year, the Nominating Committee shall nominate by ballot three candidates for each position on the following boards as terms expire: the Board for World Missions; ~~the board of directors of Northwestern Publishing House~~; the Board for Ministerial Education; the chairmen of the following boards: Home Missions, World Missions, and Ministerial Education; the Board of Appeals; and the chairmen of the Governing Boards of Wisconsin Lutheran Seminary, Martin Luther College, Luther Preparatory School and Michigan Lutheran Seminary; all of whom shall be parish pastors. It shall nominate candidates to serve as chairmen of the commissions of Congregational Services, all of whom shall be pastors with the exception of the chairman of the Commission on Lutheran Schools, who shall be a teacher. It shall nominate the pastor and teacher at large members of the Synodical Council as their terms expire.

Item #B-2

Rationale: Section 4.00 (h) in the current bylaws describes the executive committee of the Conference of Presidents as members of the Conference of Presidents appointed to serve in that capacity. There is no mention of who is to do that appointing, but the assumption is that the president does so. Current practice of the COP, with four face-to-face meetings per year, monthly teleconferences, and frequent group e-mail communication has made such an executive committee unnecessary. (It has not functioned in at least ten years.) This change states that if there would be an occasion for an executive decision to be made by the Conference of Presidents, the president and two vice presidents shall serve as the executive committee.

CONFERENCE OF PRESIDENTS

Section 4.00

Conference of Presidents Duties and Responsibilities

(h) ~~The Conference of Presidents shall appoint an executive committee from its members that~~ The President, the First Vice President, and the Second Vice President shall serve as an executive committee of the Conference of Presidents ~~and shall have the authority to act on behalf of the Conference of Presidents between meetings.~~

Item #B-3

Rationale: The change of the name of this entity reflects a change recommended by the Congregation and Ministry Support Group. Section 4.15 (e) is amended to use language consistent with other bylaws; no change from current practice.

Section 4.15 ~~Congregation and Ministry Support Group~~ Congregational Services

(e) Each commission shall consist of no fewer than five members, with a chairman elected by the synod in convention for a term of four years. Each chairman may succeed himself twice. Commission members shall be appointed by the Conference of Presidents for a term of four years. A commission member ~~may be appointed to no more than three consecutive terms.~~ succeed himself twice. Insofar as practicable, appointments shall reflect the synod's geographic diversity. Appointments shall provide appropriate representation of pastors, teachers, staff ministers, and laymen, as well as, when appropriate, advisory members from Wisconsin Lutheran Seminary and Martin Luther College.

Item #B-4

Rationale: The Ministry of Christian Giving Commission has not functioned for many years. The commission was a hold-over from the days of the Commission for Communication and Financial Support, which was divided into two offices (Communication Services and the Ministry of Christian Giving) more than a decade ago. The Ministry of Christian Giving works closely with the president and the Conference of Presidents, making a separate commission unnecessary. The amendments reflect current practice.

Section 4.20

Ministry of Christian Giving

(a) There shall be ~~a commission~~ an office entitled “Ministry of Christian Giving” that shall serve under the Conference of Presidents to assist them by developing programs and mechanics for marshaling the financial resources of the synod.

(b) The ~~commission~~ Ministry of Christian Giving shall assist the Conference of Presidents in carrying out their responsibility for funding the synod’s budget.

(c) The Director of the Ministry of Christian Giving and the Christian Giving Counselors shall be called by the Conference of Presidents.

~~(c) The commission shall be composed of a member of the Conference of Presidents, one pastor, one teacher, and four laymen.~~

~~(d) The Conference of Presidents shall recommend members to the president. The president shall appoint commission members. The president shall appoint one of the members to serve as chairman. The members other than the Conference of Presidents’ member shall serve for a term of six years. Commission members may succeed themselves once. Insofar as is practicable the membership shall represent diverse geographic areas.~~

~~(e)~~ (d) The commission Director of the Ministry of Christian Giving shall report to the Conference of Presidents through the president or his designee.

Item #B-5

Rationale: The Communications Services Commission has not functioned for many years. The commission was a hold-over from the days of the Commission for Communication on Financial Support, which was divided into two offices (Communication Services and the Ministry of Christian Giving) more than a decade ago. The office of Communication Services works closely with the president, the Conference of Presidents, and the areas of ministry, making a separate commission unnecessary. Section 4.30 (a) also specifies that the director reports to the COP either through the president or his designee. The amendments reflect current practice.

Section 4.30

Office of Communication Services

(a) There shall be an Office of Communication Services ~~Commission~~ that shall serve under the Conference of Presidents to assist them in communicating the synod’s mission to the members of the synod. The Office of Communication Services will be administered by a Director of Communications who shall report to the Conference of Presidents through the synod president or his designee.

Item #B-6

Rationale: The synod archives has always been overseen by the Synodical Council, but with the location at Wisconsin Lutheran Seminary, the archivist was engaged by the governing board of Wisconsin Lutheran Seminary. With the relocation of the archives to the Center for Mission and Ministry, the archivist will be accountable to the president or his designee.

Section 5.70

Synod Archives

(a) The Synodical Council shall establish and maintain ~~an synodical~~ archives, which shall be the repository of documents of historical value.

(b) The president, officers, administrators, agencies, synodical schools, boards, commissions, and committees of the synod shall transfer documents of historical value such as protocols, records, correspondence, and other pertinent materials to the archives.

(c) ~~Parachurch Congregations, schools, and parasynodical~~ organizations and institutions maintained by the members of WELS, because they are a significant portion of the life and work of WELS, shall be encouraged to submit materials of a more general informational and historical nature for preservation.

(d) The ~~synodical~~ archives shall include a separate file for each of the districts of the synod. The district presidents shall, at their discretion, transfer documents of historical value from their respective districts to be deposited in their district file.

(e) The ~~synodical~~ archives shall serve as the repository for the records of those congregations of the synod that have been disbanded.

(f) The ~~synodical~~ archives shall serve as the repository for biographical materials on all of the synod's called workers.

(g) The ~~synodical~~ archives shall serve as the clearinghouse for the artifacts of historical value. Such artifacts may be retained by the archives for preservation and display, or, at its direction, be forwarded to the WELS Historical Institute.

(h) ~~The Wisconsin Lutheran Seminary Governing Board shall call~~ The synod president, after consultation with the Synodical Council, shall ~~or engage an archivist, who shall serve under the direction of the library director of the Seminary. President or his designee.~~

(i) ~~The library director of Wisconsin Lutheran Seminary shall oversee the operation and staffing of the synodical archives. He shall report to the Seminary Governing Board through the President of the Seminary.~~

(j) The activities connected with the synodical archives shall be reported to the Synodical Council ~~by~~ through the president ~~or his designee.~~

Item #B-7

Rationale: Specifies that the commission will need to seek specific expenditure approval from the Executive Committee of the Synodical Council. Expands the membership of the commission to include three at large members and changes how the chairman is selected. Includes provision that the president may choose someone to represent him as his designee.

PUBLISHING

Section 6.88

Publication Coordinating Commission

(a) There shall be a Publication Coordinating Commission that shall coordinate and prioritize the publishing (pre-press, production, marketing, distribution, analysis, and inventory control) and media production of the synod's boards, commissions, and Northwestern Publishing House.

(b) The commission shall evaluate the needs for Christian literature and media tools in congregations, schools, and homes, and recommend to appropriate synod agencies the development of such resources.

(c) The Publication Coordinating Commission fund supports the commission's work. The commission shall administer the fund. All major expenditures from the Publication fund shall be approved in advance by the Executive Committee of the Synodical Council.

(d) The commission shall be chaired by ~~the vice presidents of publishing services of Northwestern Publishing House. by a member appointed by the synod president. The synod president, in consultation with the appropriate board, Northwestern Publishing House shall appoint the following another members to the commission: one from Northwestern Publishing House, one member from each area of ministry, and three at-large members. The~~ Conference of Presidents shall appoint three members to the commission. The Board for Home Missions, the Board for Ministerial Education and the Board for World Missions shall each appoint one member. Appointments shall be for a term of two ~~four~~ years, with no limit on the number of terms served.

(e) The director of communications shall be an advisory member of the commission. Additional advisory members may be appointed by the chairman as necessary. The commission shall report to the Synodical Council through the president or his designee.

Item #B-8

Rationale: Designates WELS Christian Aid and Relief as a commission, similar to other entities. "Agency" implies that

this is an organization that actually carries out relief work, rather than administering the funds and programs that are used to carry out the work. Changes terms to four years, consistent with other terms in the bylaws. Specifies that staffing additions need to be made with the approval of the president. Specifies that the commission is to report regularly to the Synodical Council. This change does not require a change in the way that WELS Christian Aid and Relief operates.

Section 6.92

WELS Christian Aid and Relief

- (a) There shall be ~~an agency~~ a commission that will serve under the Synodical Council to assist them in administering ~~and acting as agent for~~ any program of disaster relief, special assistance to those in need, or humanitarian aid projects undertaken by the synod.
- (b) The name of this ~~agency~~ commission shall be "WELS Christian Aid and Relief."
- (c) The ~~agency~~ commission shall ~~be overseen by a committee~~ consisting of five members appointed by the president for a term of ~~six~~ four years. The terms shall be staggered. At least one of the members shall be appointed ~~from a slate of candidates provided by~~ in consultation with the Board for World Missions. ~~Committee~~ Commission members may succeed themselves ~~once~~ twice. Insofar as practicable, the members shall represent diverse geographic areas.
- (d) One of the ~~committee~~ commission members shall be appointed by the president to serve as chairman.
- (e) The ~~committee~~ commission, with the approval of the president, shall make provisions for appropriate administrative and support staff.
- (f) The ~~committee~~ commission, with the approval of the president, shall advise the constituency of the synod as to needs that, in the judgment of the committee, should be the object of relief appeals within the synod.
- (g) The ~~committee~~ commission shall report to the president or his designee and shall provide to the Synodical Council a semiannual report of all expenditures for disaster relief, special assistance to those in need, and humanitarian aid.

Item #B-9

Rationale: Section 7.00 (a) specifies that Northwestern Publishing House is accountable to the Synodical Council; Section 7.00 (b) states that the board of directors is appointed by the Synodical Council rather than elected by the synod convention. This is parallel to how the directors are chosen for all other subsidiaries and assures that men serving on the board have the qualifications that will benefit Northwestern Publishing House and its ministry. Since the president is an ex-officio member of the board with voting privilege, the president's designee is also provided ex-officio status.

Section 7.00

Northwestern Publishing House

- (a) There shall be a subsidiary corporation named Northwestern Publishing House that shall serve the ~~synod's gospel ministry (also other Christians and unchurched)~~ Synodical Council by publishing and providing biblically sound materials that communicate, foster, and support the Christian faith and life of WELS members and non-members.
- (b) Northwestern Publishing House will be governed by a board of directors ~~elected by the synod~~ appointed by the Synodical Council in consultation with the Conference of Presidents. The board of directors will consist of two parish pastors, one professor from Wisconsin Lutheran Seminary, one professor from Martin Luther College, one elementary or secondary teacher, and four laymen with retail, marketing, finance, legal, technology, and/or other appropriate professional backgrounds, ~~elected by the synod for a term of six years from a slate of candidates proposed by the synod Nominating Committee. Directors will serve for a term of four years and may succeed themselves twice. Insofar as practical, the directors' terms shall be staggered so that approximately one quarter of the directors shall be appointed each year. The members may succeed themselves once.~~ The president's designee, if one is appointed per 7.00(g), shall be an ~~advisory~~ ex-officio member of the board of directors.

Item #B-10

Rationale: Section 7.10 (a) States that the Church Extension Fund may make loans to World Missions; no change in current practice. Stipulates that if the president designates someone to represent him, that person serves as an ex-officio member rather than advisory.

Section 7.10

WELS Church Extension Fund, Inc.

(a) There shall be a subsidiary corporation named WELS Church Extension Fund, Inc. organized for religious, charitable, and educational purposes, consistent with the principles of the synod. The corporation shall serve the Synodical Council through the sale of investments and receipt of gifts to provide loans and grants to mission congregations for parsonages, land, and other necessary facilities and grants to Home Missions. Loans made to mission congregations require the recommendation of the Board for Home Missions. Subject to any conditions contained in its bylaws, the corporation may also make loans to non-mission congregations: and to World Missions.

(b) The membership, term of office, and manner of election of the board of directors of this corporation shall be prescribed by the articles of incorporation or bylaws of the corporation. The president's designee, if one is appointed per 7.10(e), shall be an ~~advisory~~ ex-officio member of the board of directors

(c) Any changes in the corporation's articles of incorporation or bylaws shall be subject to the approval of the Synodical Council ~~after receiving recommendations from the board of directors or the Board for Home Missions.~~

Item #B-11

Rationale: Changes provide clarification and simplification; stipulates that if the president designates someone to represent him, that person serves as an ex-officio member rather than advisory.

Section 7.20

WELS Foundation, Inc.

(a) There shall be a subsidiary corporation named WELS Foundation, Inc. The corporation shall serve the Synodical Council by organizing exclusively to provide, direct, channel, and manage funds for religious, charitable, and educational purposes consistent with the principles of the synod. ~~Expenditure of funds for such purposes shall be subject to the policies approved by the Synodical Council.~~

(b) The membership, term of office, and manner of election of the board of directors shall be prescribed by the articles of incorporation or bylaws of the corporation. The president's designee, if one is appointed per 7.20(e), shall be an ~~advisory~~ ex-officio member of the board of directors.

(c) Any changes in the corporation's articles of incorporation or bylaws shall be subject to the approval of the Synodical Council ~~after receiving recommendations from the board of directors or the Conference of Presidents.~~

Item #B-12

Rationale: Stipulates that if the president designates someone to represent him, that person serves as an ex-officio member rather than advisory. The SC has authority to change the corporation's bylaws with or without the recommendation of the board of directors; requires at least an annual report to the SC.

Section 7.30

WELS Investment Funds, Inc.

(b) The membership, term of office, and manner of election of the board of directors shall be prescribed by the articles of incorporation or bylaws of the corporation. The president's designee, if one is appointed per 7.30(g), shall be an ~~advisory~~ ex-officio member of the board of directors.

(c) Any changes in the corporation's articles of incorporation or bylaws shall be subject to the approval of the Synodical Council ~~after receiving recommendations from the board of directors.~~

(e) The board of directors shall draw up its own investment objectives and guidelines subject to the approval of the Synodical Council. The investment objectives and guidelines shall be reviewed ~~periodically~~ at least annually by the board of directors and the Synodical Council.

Item #B-13

Rationale: Changes provide clarification and simplification; stipulates that if the president designates someone to represent him, that person serves as an ex-officio member rather than advisory; requires at least an annual report to the SC.

Section 7.40

WELS Retirement Program Commission

(b) The Commission shall consist of one pastor, one teacher and four laymen appointed by the Synodical Council. Appointments shall be for a term of three years. The terms of two members shall expire each year. Members may

succeed themselves three times. The president's designee, if one is appointed per 7.40(d), shall be an advisory ex-officio member of the board of directors.

(c) The Commission shall develop its own investment objectives and guidelines subject to the approval of the Synodical Council. The investment objectives and guidelines shall be reviewed periodically at least annually by the Commission and the Synodical Council. The Commission shall develop the pension plan's benefit basis subject to the approval of the Synodical Council. The pension plan's benefit basis shall be reviewed periodically at least annually by the Commission and the Synodical Council. The Commission shall also adopt such other policies it may deem necessary and advisable for the operation of the Plans.

Item #B-14

Rationale: Changes provide clarification and simplification; stipulates that if the president designates someone to represent him, that person serves as an ex-officio member rather than advisory. Requires at least an annual report to the SC.

Section 7.50

WELS VEBA Commission

(b) The Commission shall consist of one pastor, one teacher, and four laymen appointed by the Synodical Council. Appointments shall be for a term of three years. The terms of two members shall expire each year. Members may succeed themselves three times. The president's designee, if one is appointed per 7.50(d), shall be an advisory ex-officio member of the board of directors.

(c) The Commission shall study and implement new procedures or make improvements in the plans, in accordance with proper procedure and sound fiscal management. The plans shall be reviewed periodically at least annually by the Commission and the Synodical Council. The Commission shall develop its own investment objectives and guidelines subject to the approval of the Synodical Council. The investment objectives and guidelines shall be reviewed periodically at least annually by the Commission and the Synodical Council. The Commission shall also adopt such other policies it may deem necessary and advisable for the operation of the plan.

Item #B-15

Rationale: Changes provide clarification and simplification; stipulates that if the president designates someone to represent him, that person serves as an ex-officio member rather than advisory.

Section 7.70

WELS Historical Institute

(b) The makeup, term of office and manner of election of the board of directors of this corporation shall be prescribed by the articles of incorporation or bylaws of the corporation. The president's designee, if one is appointed per 7.70(d), shall be an advisory ex-officio member of the board of directors.

Memorials

Memorial (2017-01)

Subject: *Convention delegate fee*

Floor Committee #2

WHEREAS individual congregations may be unwilling or unprepared to cover the cost to send an individual to the synod convention; therefore be it

Resolved. that the Wisconsin Ev. Lutheran Synod will cover the cost of delegates from its own budget.

Pastor Randall Siegel

Memorial (2017-02)

Subject: *Joint statement regarding the termination of fellowship*

Floor Committee #4

WHEREAS 1) since the establishment of the CLC in 1960, there has been much discussion about the history behind the formation of the CLC and the precise nature of the differences that have separated the CLC from the ELS and WELS; and

WHEREAS 2) God desires that we agree on doctrinal principles of God's Word and commit ourselves to implementing those principles in our church life; and

WHEREAS 3) agreement on the doctrine of fellowship would be a necessary first step toward restoring God-pleasing fellowship relations; and

WHEREAS 4) the Joint Statement regarding the Termination of Fellowship accurately defines the biblical principles; and

WHEREAS 5) the Joint Statement between the three synods (CLC/ELS/WELS) would supersede all previous conflicting statements; therefore be it

Resolved. a) that we agree with the Joint Statement of 2015 regarding the termination of fellowship; and be it further

Resolved. b) that the Michigan District in convention gives its approval to this Joint Statement; and be it further

Resolved. c) that the Michigan District recommend to the synod in convention approval of the Joint Statement in 2017; and be it finally

Resolved. d) that we encourage the WELS representatives to continue their work toward doctrinal unity.

Michigan District

Memorial (2017-03)

Subject: *Reduction of student debt*

Floor Committee #11

WHEREAS 1) the average student debt for Wisconsin Lutheran Seminary (WLS) graduates has declined but still remains above \$24,000 per student; and

WHEREAS 2) the average student debt for Luther College (MLC) graduates is below the national average but still is above \$25,000 per student; and

WHEREAS 3) the synod in convention in 2015 has resolved to address the issue of student indebtedness; and

- WHEREAS 4) WLS has received grants and gifts to help meet student needs; and
- WHEREAS 5) MLC has already introduced new scholarships in an effort to address student indebtedness; and
- WHEREAS 6) the One in Christ debt-elimination campaign has concluded; therefore be it
- Resolved, a) that we commend the Synodical Council, WLS, and MLC for their efforts to carry out the synod's directive; and be it finally
- Resolved, b) that we memorialize the synod to conduct a synodwide campaign focused on increasing student aid by supplementing existing student assistance funds.

Arizona-California District

Memorial (2017-04)

Subject: *Request to change Voluntary Supplemental Contributions to Commission on Lutheran Schools (CLS) to Annual School Support Fee based on school enrollment*

Floor Committee #14

- WHEREAS 1) the Voluntary Supplemental Contribution for schools has been in effect since being adopted by the synod in convention in 2007; and
- WHEREAS 2) the Voluntary Supplemental Contribution has been a tremendous blessing to the CLS, currently supplying about \$160,000 annually, nearly one-third of the annual funding for normal CLS operating purposes; and
- WHEREAS 3) on average 75 percent of area Lutheran high schools (ALHS), 60 percent of Lutheran elementary schools (LES), and 10 percent of stand-alone early childhood ministries (ECM) voluntarily make an annual contribution benefiting all schools; and
- WHEREAS 4) since the inception of the Voluntary Supplemental Contribution the CLS office has expanded to include a national coordinator for early childhood ministries; and
- WHEREAS 5) the three called administrators of the CLS annually assist the district presidents in developing more than six hundred teacher call lists; and
- WHEREAS 6) providing training, resources, and support is a mission of the CLS, and the administrators are providing training to current and future school leaders, training district coordinators, counselors, and consultants to support schools; and
- WHEREAS 7) the CLS seeks to provide more training and resources during a time of declining grant options at affordable prices for all schools; and
- WHEREAS 8) all schools in our system (LES, ECM, and LHS) benefit from the work of CLS; and
- WHEREAS 9) the schools that do contribute benefit greatly from the services of the CLS Office by receiving resources such as *Parents Crosslink* and support at discounted prices; and
- WHEREAS 10) an annual school support fee would provide all our congregations with educational ministries an opportunity to walk together and mutually support one another; and
- WHEREAS 11) the CLS office seeks to be able to carry out its ministry in a way that meets the needs of schools in this generation (technology, manpower, and research); and
- WHEREAS 12) additional funds gained through participation by all schools could support increased activity in the districts through the district coordinator and also help fund the unfunded fourth director approved in 2013 by the synod in convention to help address leadership training and added support for schools; and
- WHEREAS 13) currently the contribution rates are \$7.50 per student annually for LES and ECM students and \$4.00 annually per student for ALHS, both of which cost less per student than many parents are asked to contribute for services such as field trips; therefore be it

- Resolved. a) that all schools in our synod will contribute \$7.50 per full-time equivalent (fte) student annually for LES and ECM students, and \$4.00 annually per student for LHS students; and be it finally
- Resolved. b) that any future increases to this contribution must be approved by the synod in convention.

WELS district school coordinators

Memorial (2017-05)

Subject: 2018 the "year of the Sunday School" in WELS

Floor Committee #13

- WHEREAS 1) WELS has been blessed with the Holy Scriptures and God's plan of salvation; and
- WHEREAS 2) Christian education is a top priority within WELS; and
- WHEREAS 3) the WELS Lutheran elementary schools and early childhood program have three full-time called workers; and
- WHEREAS 4) at the end of 2015 WELS had 1,270 congregations, and 1,084 congregations had Sunday schools with 26,835 students and 3,992 teachers; and
- WHEREAS 5) God willing, more time, talent, and attention should be given to WELS Sunday schools; therefore be it
- Resolved. a) that WELS request the Conference of Presidents and the WELS Commission on Youth and Family Ministry to have Sunday school institutes in each district in October 2018; and be it further
- Resolved. b) that Mrs. Julie Wietzke (managing editor of *Forward in Christ*) publish articles about Sunday schools in *Forward in Christ* in 2018; and be it further
- Resolved. c) that willing volunteer leaders and President Mark Zarling of Martin Luther College plan a national WELS Sunday school convention during 2018; and be it finally
- Resolved. d) that WELS call a full-time Sunday school coordinator.

Carl W. Toepel, Howards Grove, Wis.

